

NEWS: INTERNATIONAL

Netanyahu seeks cabinet backing on troop pullout

By Judy Dempsey
in Jerusalem

Mr Benjamin Netanyahu, the Israeli prime minister, was yesterday mustering all his political skills to seek cabinet approval for the first of three Israeli troop withdrawals from the rural areas of the West Bank.

The long-delayed pullback, due to begin today as agreed in the Hebron agreement signed between Israel and the Palestinians in January, involves three areas.

It is estimated that about

10 per cent of territory will change status. Parts of the area currently under Israeli military control but Palestinian civilian administration, known as Area B, will become part of the land completely under Palestinian jurisdiction - Area A.

But a small percentage of the land under total Israeli control and where almost all the Jewish settlements are located - Area C - will be transferred to the jointly administered area. It is this aspect which has proved the most contentious for several

cabinet members as they believe it will set a precedent for further transfers of control, leaving the settlements vulnerable.

To gain a significant majority from among the 17 ministers, Mr Netanyahu has spent the past two weeks putting in place a strategy to win support from the nationalist and ultra-Orthodox coalition parties.

This included the decision to build a new Jewish neighbourhood in Arab east Jerusalem, a move which will cut off the West Bank from the

Arab districts in this part of the city.

Despite continuing international criticism, Israeli officials yesterday said they would build Har Homa, even though it goes against the spirit of the 1993 Declaration of Principles which states that the future of Jerusalem should be left for the final status negotiations, due to start this month.

Mr Netanyahu shows no sign of wavering. He wants to convince the far-right of his coalition that if Israeli troop redeployments will

lead to some of the area now controlled solely by the Israelis coming under joint administration, it will not mean reverting to Israel's borders before it annexed east Jerusalem and the West Bank. "We have no intention of returning to the pre-1967 borders," an Israeli government official said. "The significance of Har Homa is that [Mr Netanyahu] can show he is standing firm on the border issue."

He added that this was another reason why Mr Netanyahu chose to close

down four Palestinian offices in east Jerusalem. He wanted to show that Jerusalem is the sovereign capital of Israel.

Israeli and Palestinian officials agree that the prime minister's line on Har Homa and the Palestinian offices, maintained at the risk of destroying the fragile trust nurtured since the Hebron accord, is part of another agenda.

"Israel is positioning itself for the final status talks," said Mr Saeb Erakat, the Palestinian chief negotiator in

the peace talks. "We do not know how to respond to Har Homa or to Israel's policy of expanding settlements. We are being pushed further and further into a corner."

According to a senior Israeli official, "We are not trying to torpedo the peace process. But the truth is that we are jockeying for position in the run-up to the final status talks. We want bargaining chips. That is what the redeployments, Har Homa, and the dispute over the Palestinian offices in east Jerusalem are about."



Middle East states urged to deregulate

By Roula Khalaf

Mr Stanley Fischer, first deputy managing director of the International Monetary Fund, yesterday praised the "remarkable change" in economic policies taking hold in many Middle Eastern and North African countries.

Mr Fischer, speaking at a London conference on opportunities for investment in the region, said governments had realised that only high growth would permit them to achieve better living standards, lower unemployment and create jobs for a growing number of new entrants into the labour force.

But to maintain sustainable growth, Mr Fischer urged governments to accelerate privatisation and said they must further deregulate "excessively regulated" economies, secure higher domestic investment rates by reducing government deficits and commit increased resources to education and health to upgrade the quality of the workforce.

International Monetary Fund studies show that gross domestic product growth in the Middle East and North Africa averaged 3.7 per cent a year between 1991 and last year, yielding the first rise in per capita GDP in more than a decade, but still well below the 6 per cent annual growth average in developing countries.

Investment performance, however, has been disappointing, with the ratio of foreign direct investment to GDP ranging between 0.5 per cent and 0.7 per cent, compared to more than 1 per

cent of GDP in Asia. But the IMF notes that resumption of growth in 1991-1996 has been associated with a 1.1 per cent of GDP rise in the investment rate.

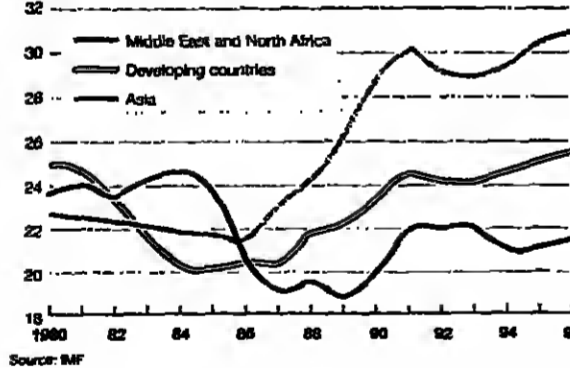
A central theme emerging from the two-day conference, intended as Britain's contribution to the EU partnership with countries on the southern and eastern rim of the Mediterranean, is the need for the private sector to assume responsibility for investment. The success of the partnership agreements the EU has signed or is negotiating with 12 Mediterranean partners and aiming to create a free trade zone by 2010, rests in large part on Mediterranean countries' ability to raise levels of domestic private sector investment and attract foreign investors.

Mr Manuel Marin, vice-president at the European Commission, said that neither public sector investment nor the EU aid package promised in the partnership must be relied upon to increase investment. The European Investment Bank, which was expected to match the Ecu4.6bn aid package promised by Brussels between 1995 and 1999, would provide only Ecu2.3bn over three years, Mr Marin confirmed.

Public sector investment in the region is already on the decline. However, it has been more than offset in recent years by an increase in private sector investment, according to the IMF. The most significant change, it says, has been recorded in Jordan and Tunisia.

Investment rates

As a % of GDP



Morocco eyes eurobond market

By Roula Khalaf

Morocco is planning to tap international markets for finance as part of its debt management strategy, Mr Mohamed Kabhaj, minister of finance, said this week.

The issue under consideration, likely to be in the form of eurobonds, will be aimed at retiring more expensive debt and is part of Morocco's efforts to reduce its \$25bn external debt that accounts for 60 per cent of gross domestic product, down from about 130 per cent in the late 1980s. Mr Kabhaj said Morocco was aiming for a 40 per cent level by the year 2000.

Managing Morocco's external debt gained momentum last year when a small portion of French and Spanish debt was converted into equity, fulfilling the twin goals of debt reduction and an increase in foreign direct investment. Some \$115m of French debt has been converted into equity and a tender has been issued for \$50m worth of Spanish debt.

But the amount of debt that can be converted into equity under bilateral protocols is a tiny percentage of what Morocco owes each country.

More over, while external debt is being restructured, concerns have risen about the rate of internal debt, which is more expensive to service than external debt. Internal debt has increased to Dh120bn (\$12.9bn) in 1995 from Dh93bn in 1993. To that, however, must be added about Dh12bn of debt run up by public enterprises.

Morocco has been urged to speed up the creation of a secondary market for government debt to allow it to finance itself internally at cheaper rates.

The government is trying to negotiate similar debt restructuring deals with the US, Italy and Germany.

This is combined with attempts to take on new, less expensive debt. Last year the French government, for example, agreed to guarantee FF1.5bn (\$300m) of new debt.

With debt servicing accounting for about 30 per cent of export earnings, public investment has suffered. Private investors, meanwhile, have also been reluctant to pour new funds into the economy. Last year's import bill was heavily skewed towards consumer items rather than machinery and equipment.

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IMF gloomy over Palestinian economy

Unemployment has soared and per capita income has fallen since the start of the peace process

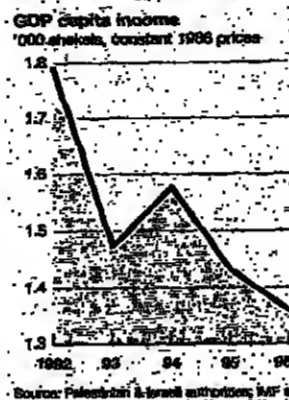
By David Gardner, Middle East Editor, in Damascus

Palestinian unemployment has nearly doubled and per capita income has shrunk by a fifth since the start of the Oslo peace process with Israel in 1993, the International Monetary Fund says in a report published yesterday.

The report, which offers the most detailed picture to date of the West Bank and Gaza Strip economy, also suggests that the Palestinian Authority has done better than expected in establishing a fiscal administration and budgetary stability in the self-governing territories handed back by Israel.

But Israel's blockades of the territories, sporadic in 1994-95 and constant since a wave of suicide bombings inside Israel a year ago, has inflicted a heavy cost. Overall investment has slumped from 28 per cent of gross domestic product in

West Bank & Gaza Strip



1992 to just over 18 per cent now, the Fund estimates, with a collapse in private investment over the same period from 25 per cent of GDP to 10 per cent.

Although Israel has slightly eased restrictions on Palestinians working in Israel, the IMF says the average number last year was

still only 25,100, against 116,000 legal workers in 1992. It estimates a loss to the Palestinian economy of \$94m for every 10,000 people prevented from working in Israel.

The blocking of exports, combined with eased restrictions on Israeli imports to the territories, has exacerbated

the trade deficit averaging \$1.2bn in both 1995 and 1996, equivalent to 38 per cent of GDP. The Fund notes that even though the border closures should increase the cost of imported goods, the territories had negative inflation in the last quarter of 1996 because of the decline in remittances and export income.

All this is in stark contrast to developments in the far bigger and more sophisticated Israeli economy since 1992. Israel's exports had by 1996 grown by 43 per cent in dollar terms, nearly doubling in Asian markets opened up by the peace process, while foreign investment in Israel went up six-fold over the same period to over \$2bn a year.

International aid donors have been unable to fill the public investment gap in the self-rule areas. Initially because of their and the Palestinians' inability to co-ordinate their procedures, but

later because of the physical impediments to people and material caused by the closures, the Fund says. Of \$2.49bn pledged in 1994-96, only \$1.35bn has been disbursed. Public investment last year amounted to only 4.9 per cent of GDP, only fractionally more than the wage bill of the Palestinian Authority's 33,000 policemen.

"The induced slowdown in economic activity," as the IMF puts it, has cut per capita gross national product, calculated in Israeli shekels at 1986 prices, to Shk1,436 (\$429) last year against Shk1,766 in 1993. Unemployment now stands at 84.2 per cent against 18 per cent in 1989.

The private sector, meanwhile, appears to have confidence in the expanded banking system - trebling deposits to \$1.56bn in the past three years - but not in the economy, with credit increasing barely a quarter as fast.

Consequently, the IMF also notes "political disaffection" at the heavy build-up of net foreign assets - claims by Palestinian branches against their parent banks in Jordan.

But the Fund, which is working closely with the Palestinian Authority, without conditionality, to build its institutions and advise on fiscal policy, holds out hope for the future if the West Bank and Gazan can get access to the Israeli market.

Mr Milan Zevadil, the main author of the report, says: "There is massive potential, especially because [the Palestinian economy] is not burdened by structural distortions and there is an almost complete absence of debt."

* Recent Economic Developments, Prospects, and Progress in Institution Building in the West Bank and Gaza Strip, Middle Eastern Department, International Monetary Fund, Washington.

2004 Olympic race enters final lap

No more than five out of a record 11 bidding cities will make today's shortlist

The International Olympic Committee's two-stage system for choosing the venue of the 2004 summer games moves into its second phase today, when the IOC announces its shortlist of four or five from an original 11 candidate cities.

The two-tier method was chosen to spare the second division bidders from unnecessary expenditure. But the sharp reaction from Istanbul, following release of the IOC's technical evaluation report last week, suggests even the no-bidders might have preferred to go on to the final round. For the rest, there is still plenty to play for before the final decision is made on September 5.

Of the 11 candidates, Rome has the least to fear. Despite some vocal local opposition - the 1990 World Cup was not a happy experience and critics fear too much public money will be poured into hosting an event that has become far too large for the city to cope with - Rome's bid impressed the IOC's evaluation committee more than any other.

Notwithstanding problems with transport infrastructure, strong backing from local and national political parties, the quality sporting facilities already in place and the support Rome will get from Mr Primo Nebiolo, the Italian supreme of world athletics, suggest Rome is a deserving favourite.

Athens does not lie far behind in the betting. Following the humiliation of losing the centennial Olympics to Atlanta, Greece's capital city is determined to make amends.

It has most of the sports facilities needed to stage the Olympics - planned in the 1970s when its staging of the centennial games was taken for granted - and will have a much improved infrastructure by the end of the decade: a new \$2bn subway extension is expected to reduce atmospheric pollution and traffic chaos, telecoms have been upgraded and the new \$3.2bn Athens airport will be ready.

A group of Athenian intellectuals and environmentalists have launched an "anti-Olympics" lobby on the ground that the new facilities would swallow up some of the city's few remaining green areas. Ultimately, the city's chances will hinge on how efficiently it can run this year's World Track and Field Championships, to be staged in Athens a few weeks before the IOC's final vote.

Stockholm carries the torch for northern Europe and was another candidate to earn high marks from the

STOCKHOLM
Likely contender but 42% of Swedes oppose the bid
Budgeted Revenue: \$1.63bn
Expenditure: \$1.62bn

SAN JUAN
A minority, but success would lift Caribbean region
Budgeted Revenue: \$1.30bn
Expenditure: \$1.30bn

SEVILLE
Good infrastructure, but perhaps too big for the region
Budgeted Revenue: \$1.61bn
Expenditure: \$1.61bn

BUENOS AIRES
New political stability, plus, poor hotel capacity
Budgeted Revenue: \$1.25bn
Expenditure: \$1.25bn

ATLANTA
Six years ago Atlanta took on the world and won, beating cities such as Athens, Manchester and Toronto to host the 1996 games. While Atlantians believe the event, funded entirely by private money, has paid off in infrastructure terms, there is rancour over the reception it received worldwide.

Few in the city will say that getting the games was a mistake. But Mr Bert Roughton, columnist on the Atlanta Journal-Con-

stitution newspaper, quoted in the Atlanta Olympics site on the Internet, probably sums up their feelings: "Give athletes, spectators an 'A-plus'; IOC an 'F-minus'." The foreign press, he continues, "need never darken our streets again", while as for the IOC, which refused Atlanta the traditional accolade of the greatest games yet held: "If these were the old days, we'd be heating up the tar."

John Authers, New York

ROME
A front-runner with excellent facilities, but vocal opposition
Budgeted Revenue: \$1.52bn
Expenditure: \$1.52bn

CAPE TOWN
Lacks financial muscle but has crucial ANC backing
Budgeted Revenue: \$1.32bn
Expenditure: \$1.30bn

ATHENS
Trying again after losing the centennial games
Budgeted Revenue: \$1.61bn
Expenditure: \$1.57bn

ST PETERSBURG
Desired by IOC, but high-tech city, not the heart of Europe
Budgeted Revenue: \$1.39bn
Expenditure: \$1.39bn

LILLE
Workmanlike bid offers high-tech edge, but not the heart of Europe
Budgeted Revenue: \$1.39bn
Expenditure: \$1.39bn

ISTANBUL
Second-time candidate claims to have overcome drawbacks of 1990 bid
Budgeted Revenue: \$1.58bn
Expenditure: \$1.53bn

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Atlanta: was it worth the bad press?

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Atlanta's reputation for a high murder rate and traffic snarl-ups to heavily polluted waterways suggest Rio will have to stage its recovery on its own.

A big headache at a busy Istanbul intersection overlooking the Bosphorus bearing the logo of Turkey's Olympic committee only needed a small retouch after the city's bid for the 2000 games flopped. A painter quickly changed the last zero to a four.

Undeterred by gridlocked traffic, water shortages, air pollution and collapsing infrastructure, the government has given the bidding committee plenty of money, as well as powers to commandeer resources and property.

However, political instability - the country had three governments last year alone - may mean Istanbul's craving for positive international attention remains unsatisfied. Unlike four years ago, there is little popular excitement at the prospect of a

second try. Maybe Turks, worn down by 80 per cent inflation, have more immediate concerns.

Similar problems plague the bid from St Petersburg. Its tourist infrastructure is badly outdated: handling the estimated 3m Olympic visitors will require new hotels, new phones, new roads, and otherwise refurbished sports venues. Notwithstanding the backing of President Yeltsin, St Petersburg will do well to make the shortlist.

Although the 1992 games in Barcelona were considered the finest of the modern era, it is almost certainly too soon for the Olympics to revisit Spain in 2004, which puts the bid from Seville at a serious disadvantage.

The organisers cite the precedent of Los Angeles and Atlanta, and argue Barcelona's successful example is a plus rather than a minus. "Up to now, nobody's been able to do it better," they claim.

Lille, the former textiles

centre bidding to bring the summer games to France for the first time since 1924, has played up its location, easily accessible to inhabitants of some of the richest and most densely populated parts of northern Europe.

Lille has equally tried to position itself as the "natural capital of the first games of the cyber era". It is a cute idea, but one unlikely to win over the IOC.

Last, if not least, San Juan, the longest of long shots, is serious enough about its intentions to have spent already \$12m on its bid. Given the support of the incumbent administration of Governor Pedro Rossello, which favours staked out for Puerto Rico (currently a "free associated state" of the US), San Juan's bid has a strong political and national flavour.

It will almost certainly fail, but the expenditure on the candidacy regarded by officials as an investment in promoting the island, whose economy depends on manufacturing and tourism.

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NEWS: WORLD TRADE

Increasing traffic means 550-seat jet will be needed, says European consortium

The super-jumbo will fly, says Airbus

By Michael Skipper, Aerospace Correspondent

Air passenger traffic will triple over the next 20 years, an increase which can only be accommodated by building 550-seat "super jumbo" aircraft, Airbus Industrie said yesterday.

The forecast by the European consortium is part of its war of words with Boeing of the US over whether a market exists for a new generation of large jets.

Boeing earlier this year shelved plans to build a 550-seater, saying there was insufficient demand to justify the \$70m cost of extending its 400-seat Boeing 747. Boeing said this week there would be a demand for only 480 "super jumbo" aircraft over the next 20 years.

Airbus said yesterday,

however, that airlines would need 1,442 aircraft bigger than the Boeing 747 over the next 20 years. It said Boeing was playing down the size of the market to justify its decision not to proceed with its own large aircraft.

Mr John Leahy, Airbus's commercial senior vice-president, said: "Boeing is a little like the parents of a teenage child that didn't get invited to a dance. They then say that it's not going to be much of a dance anyway."

Mr Leahy said the real reason that Boeing had cancelled its project was that airlines had said they did not want an aircraft based on 747 technology, which dates back to the 1960s.

He said airlines such as Federal Express, the US freight carrier, had expressed great interest in

the planned Airbus 550-seater, the A3XX. This would be an entirely new aircraft which Mr Leahy said would cost \$8bn to develop.

He said United Airlines of the US had said it would introduce the A3XX on its flights between Los Angeles and Tokyo as soon as the aircraft became available.

Airbus's 20-year market forecast predicts that the world's aircraft fleet will almost double from 9,400 aircraft today to 17,100 by 2016. The increase in aircraft is smaller than the rise in passengers because airlines will operate more efficiently and the average size of the world fleet will grow.

Airbus said that the average number of seats per aircraft would increase from 179 today to 236 by 2016. In the Asia Pacific region, the

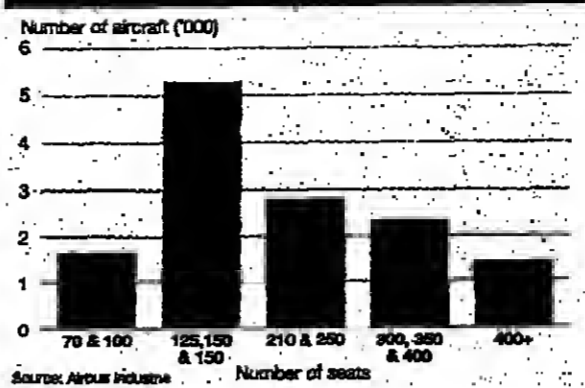
average number of seats would rise from 288 today to 338 in 20 years.

Mr Adam Brown, Airbus's vice-president for strategic planning, said that opposition to new airport building would mean that the increase in traffic could only be accommodated by using larger aircraft.

Airbus said it accepted that 550-seat aircraft would only be used on a relatively small number of routes. But it said that this was the case with the Boeing 747 too. Airbus said that half of the world's 747 fleet was used on flights between only 12 airports.

● The Association of European Airlines yesterday said its members' worldwide scheduled passenger traffic rose 10.5 per cent in January from a year earlier, AFX

Forecast new orders up to 2016



reports from Brussels. The main market rises were 13.1 per cent on north Atlantic routes, 12.1 per cent to the Far East, Australasia and 7.4 per cent within Europe. Overall load factor was up 1.7 percentage points to 65.1 per cent compared to January 1996.

January air freight traffic was up 1.4 per cent, reflecting a 6.3 per cent fall on north Atlantic freight and a 7.9 per cent rise for the Far East, the two main markets.

Japan port workers to strike on sanctions

By Michio Nakamoto in Tokyo

Japanese port workers are planning a 24-hour strike next week to protest both against US sanctions directed at Japanese port practices and regulatory measures planned by Tokyo.

More than 54,000 members of the Japanese Council of Dockworkers' Unions and the Japan Confederations of Port and Transport Workers' Unions plan to strike next Wednesday. The action will affect at least 50 of the largest ports and could have a serious impact on international shipping schedules.

The port workers' unions said yesterday that, in addition, Sunday work, which has been carried out on an emergency basis since the 1995 earthquake in western Japan, would not be resumed when a one-year contract between the unions and stevedoring companies expired on Monday.

The strike comes at a difficult time for the US and Japanese governments which are working to resolve a bilateral dispute over Japanese port practices. It is expected to harden the stance of the US Federal Maritime Commission, which plans to impose sanctions on three Japanese shipping companies in retaliation for what it considers unfair port practices in Japan. The European Union has separately taken Japan to the World Trade Organisation over its port practices. Japan has indicated it might take the US to the International Court of Justice over the sanctions.

However, the port workers' rejection of moves to deregulate the industry will also test the Japanese government's resolve to promote deregulation in order to stimulate the economy. Japanese shipping companies have also pressed for changes to port practices

and for deregulatory measures such as those urged by the US and EU.

The dispute over ports came to a head last month when the FMC decided to impose a \$100,000 fee on Kawasaki Kisen, Mitsui OSE Lines and Nippon Yusen each time their ships entered a US port. The sanctions are expected to cost the three companies a total of \$3bn (\$41m) per year and severely damage their loss-making trans-Pacific business.

Japanese port workers have received the support of the International Transport Workers Federation, which has a membership of 10m workers. Mr David Cockcroft, its general secretary, said yesterday the ITF did not rule out international industrial action to protest at the US sanctions and the EU move. "I believe this is such a dangerous precedent for other countries that this cannot be allowed to happen in Japan," he said.

Handbag exporters hit back at Brussels

By John Fiddling in Hong Kong

Hong Kong handbag manufacturers have taken a swing at the European Commission by protesting at anti-dumping duties on Chinese-made handbags. They claim the measures could affect 1,500 companies in the territory and hundreds of thousands of jobs on the mainland.

"We refute in the strongest terms the allegations that we are dumping our products on the European Community markets," said an industry committee in a letter to be sent to Brussels today. Members said the duties, which are up to 39 per cent, threatened businesses and would put pressure on EU prices.

"It is impossible to change our markets and our strategies so quickly," said Mr Terence Chan, managing director of Allied Castle, a Hong Kong-based handbag

manufacturer. He said more than 70 per cent of his company's exports went to European markets.

Ms Linda Yuk, office manager of Ngai Keung Handbags which employs more than 1,000 people on the mainland and supplies bags to Galleries Lafayette in France and C&A in the UK, said the duties could force smaller manufacturers into illegal activities. "They might try and use labels from other countries to avoid the duties," she said.

The Hong Kong producers are expected to focus their appeal on Italy, which exports about US\$1.6bn of leather to the territory to be transformed into bags and luggage. "They would stand to lose a lot," said Ms Beatrice Marino Tanocok, director of Manassas, a Hong Kong-based handbag exporter.

Manufacturers are also questioning the grounds on which the Commission made

its decision. "We understand that the Commission received submissions from only three organisations involved in manufacturing in China and two exporters from Hong Kong," said a manufacturers' statement. "Of these organisations, one was rejected due to deficiencies in its response and two exporting organisations subsequently withdrew their co-operation."

Referring to the dumping allegations, the manufacturers said Hong Kong-based companies were commercial enterprises operating in a full market economy. "This is still a labour intensive industry, and the problem is that the European manufacturers have found it hard to compete," said one producer. "So now they are looking for protection."

Nearly half the estimated 148m handbags sold in western Europe last year came from China, according to the European Commission.

WORLD TRADE NEWS DIGEST

China makes WTO offer

China has agreed to scrap restrictions on foreign companies' trading activities within three years of joining the World Trade Organisation. The move was announced by China yesterday at a meeting of the WTO working party charged with setting entry terms for Beijing. Trading partners hailed it as an important breakthrough in the decade-old negotiations. The plan would eliminate the need for foreign companies to trade only with certain state trading corporations.

China wants to keep state trading arrangements for eight products regarded as basic necessities, including grain, fuel and wool, but says these will comply fully with WTO fair-trade rules. It has also asked for longer transitions of 3-5 years for another six products, among them timber and rubber, where 60-100 Chinese companies now have exclusive trading rights.

Mr Long Yongtu, China's chief WTO negotiator, also said China would accept in full the WTO's accord on intellectual property protection from the date of accession, and would not be asking for transitional arrangements as a developing country. The Chinese announcements reinforced a growing mood of optimism that Beijing's WTO bid may now be nearing its final stages. However, trade officials stress that China still needs to do more, especially in offering better market access for imported farm produce, manufactured goods and services.

Bulgarian piracy costs \$100m

The International Federation for the Phonographic Industry (IFPI), which represents record producers worldwide, has asked the European Commission to exert pressure on the Bulgarian government in an effort to curb illegal compact disc production which is costing the international music industry an estimated \$100m a year in lost revenue. The IFPI yesterday said that 16m pirate CDs were produced in Bulgaria every year. The IFPI has asked the Commission to urge the Bulgarian government to act against five CD plants which are estimated to supply approximately one in eight of all illegal copies on the world CD black market. "There is now conclusive evidence that Bulgarian-manufactured CDs are destabilising recorded music markets within the EU and eastern Europe in breach of World Trade Organisation rules," the IFPI said. Bulgarian-made copies of best-selling albums have been seized from Finland to Athens and the IFPI estimated that 1m CDs are exported to Russia every month before being dispersed worldwide.

Canada takes salmon action

Canada is taking Australia to the World Trade Organisation over Canberra's ban on raw Canadian salmon imports - a bone of contention between the two countries for over two decades. Canada maintains that Australian federal government claims that the salmon poses health risks cannot be supported on scientific grounds. Mr John Anderson, Australian minister for primary industries, yesterday said recent research had identified as many as 20 diseases which could be carried by the fish, some of which might be impossible to eradicate. Australia first imposed the ban in 1976, but does allow imports of cooked salmon, worth around A\$25m (US\$19.4m) last year.

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PUBLIC NOTICES

NOTICE PUBLISHED BY THE SECRETARY OF STATE UNDER SUBSECTIONS 8(5) AND 10(6) OF THE TELECOMMUNICATIONS ACT 1984

The Secretary of State hereby gives notice as follows:

- He proposes to grant a licence under the Telecommunications Act 1984 ("the Act") to Diamond Cable Communications (UK) Limited ("the Licensee") to run telecommunication systems in the United Kingdom. The licence will be for a period of 25 years subject to earlier revocation in specified circumstances.
- The principal effect of the licence will be to enable the Licensee to install and run telecommunication systems in the United Kingdom. The Licensee will be able to provide a wide range of services but excluding mobile radio services and certain international services. The Licensee authorises the connection to a wide range of other systems, including earth orbiting apparatus, allowing the provision of some types of international satellite service. On securing a share of 25% or more of the market in respect of particular services in an area specified by the Director General of Telecommunications, the Licensee may be obliged to make available those telecommunication services to all who reasonably request them within that area.
- The licence will be subject to conditions such that section 8 of the Act will apply to it, thereby making each of the systems run under the licence eligible for designation as a public telecommunication system under section 9 of the Act. It is the intention of the Secretary of State to designate each of the Licensee's systems as a public telecommunication system.
- The Secretary of State proposes to grant the licence in response to an application from the Licensee for such a licence because he considers that it will help to satisfy demands in the United Kingdom for the provision of services of the type authorised, will promote the interests of consumers in respect of the quality and variety of such services, and will maintain and promote effective competition between those engaged in the provision of telecommunication services.
- He proposes to apply the telecommunications code ("the Code") to the Licensee subject to certain exceptions and conditions throughout the United Kingdom. The effect of the exceptions and conditions to the application of the Code is that the Licensee will have duties:
 - to comply with various safety and environmental conditions, in particular (with certain exceptions) to install lines underground or only on such above-ground apparatus as is already installed for any purpose;
 - to comply with conditions designed to ensure efficiency and economy on the part of the Licensee, in connection with the execution of works on land concerning the installation, maintenance, repair or alteration of its apparatus;
 - to consult certain public bodies before exercising particular powers under the Code, including the local planning and highway authorities and English Nature, Scottish Natural Heritage, the Countryside Council for Wales, the National Trust and the National Trust for Scotland, as well as relevant electricity suppliers;
 - to keep and make available records of the location of underground apparatus and copies of the exceptions and conditions in the licence to its powers under the Code; and
 - to ensure that sufficient funds are available to meet certain liabilities arising from the execution of street works.
- The reason why the Secretary of State proposes to apply the Code to the Licensee is that the Licensee will need the statutory powers in the Code to install and maintain the telecommunication systems which are to be installed and run under the proposed licence.
- The reasons why it is proposed that the Code as applied should have effect subject to the exceptions and conditions referred to above are that they are considered requisite or expedient for the purpose of securing that the physical environment is protected, that there is no greater damage to land than necessary, that the systems are installed as safely and economically as possible, and that the Licensee can meet (and relevant persons can enforce) liabilities arising from the execution of works.
- Representations or objections may be made in respect of the proposed licence, the application of the Code to the Licensee and the proposed exceptions and conditions referred to above. They should be made in writing by 7 April 1997 and addressed to the undersigned at the Department of Trade and Industry, Communications and Information Industries Directorate, 2-57 Grey, 151 Buckingham Palace Road, London SW1W 9SS. Copies of the proposed licence can be freely obtained by writing to the Department or by calling 0171-215 1756.

Anthony J Eden-Brown
Department of Trade and Industry

CALL FOR EXPRESSION OF INTEREST IN PURCHASING THE ASSETS OF "VOLOS COTTON MANUFACTURING CO S.A." OF ATHENS GREECE

ETHNIKI KEPHALEOU S.A., Administration of Assets and Liabilities, of 9a Chrysoskolitissis St, Athens 10560, Greece, in its capacity as Liquidator of "VOLOS COTTON MANUFACTURING CO S.A." a company with its registered office in Nea Ionia, Volos, Greece, (the "Company"), presently under special liquidation according to the provisions of Article 46a of Law 1892/1990, by virtue of Decision 106/1997 of the Larissa Court of Appeal invites interested parties to submit within twenty (20) days from the publication of this call, non-binding written expressions of interest for the purchase of the assets mentioned below, being sold as a single entity.

BRIEF INFORMATION

The Company was established in 1963 and was in operation until January 1996. On 18.12.1997 it was placed under special liquidation according to the provisions of Article 46a of Law 1892/1990. Its activities included the production and marketing of ginned cotton, cotton yarns and cotton waste.

ASSETS OFFERED FOR SALE

These include an industrial plant in Nea Ionia, Volos, located in an area of 103,300 sq.m. approximately. The surface of the buildings amounts to approx. 52,000 sq.m. The plant's machinery consists of the following cotton ginning units:

- A 18468 bobbin spinning unit with a capacity of 8500 KG of NEB 30 yarn per 24 hours.
- A 32944 bobbin spinning unit with a capacity of 15000 KG of NEB 30 yarn per 24 hours.
- A 48864 bobbin spinning unit with a capacity of 10900 KG of NEB 31 yarn per 24 hours.
- An OPEN END (O.E.) 672 turbines unit with a capacity of 1600 KG of NEB 30 yarn per 24 hours.

In addition, the Company's registered name, trademark, receivables and any other assets are also being offered for sale.

SALE PROCEDURE

The Company's assets will be sold by way of Public Auction in accordance with the provisions of Article 46a of Law 1892/1990, (as supplemented by art. 14 of L.2000/1991 and subsequently amended) and the terms set out in the call for tenders for the sale of the above assets, to be published in the Greek and foreign press on the dates provided by law.

SUBMISSION OF EXPRESSIONS OF INTEREST - OFFERING MEMORANDUM - INFORMATION

For the submission of Expressions of Interest and in order to obtain a copy of the Offering Memorandum, please contact the Liquidator, "ETHNIKI KEPHALEOU SA Administration of Assets and Liabilities", 9a Chrysoskolitissis St, Athens 10560 GREECE, Tel. +30-1-323.14.84 - 87 fax: +30-1-321.79.05 (attention Mrs. Marika Frangakis), or the Liquidator's representative Mr. Aristides Tsakalea, 139 Antonopoulou St. Volos Tel. +30-421-38221 Fax: +30-421-28373.

CONTRACTS & TENDERS

AIRPORT AUTHORITY

EXPRESSIONS OF INTEREST Insurance Services

The Airport Authority has the responsibility for constructing and operating Hong Kong's new airport at Chek Lap Kok. The airport is scheduled to be opened in April 1998.

The Authority would like to receive Expressions of Interest from parties desiring to be considered for an appointment to provide insurance services.

The Appointee will be required to provide advice concerning the Authority's permanent and operational insurance requirements and, subsequent to the acceptance of that advice by the Board of the Authority, to secure appropriate cover upon terms approved by the Board. The scope of the advice will extend to all insurance requirements, with the exception of the current Owner Controlled Insurance Programme for the construction phase.

Interested parties are invited to register in writing, before 4 April 1997, for an Expressions of Interest document, either by mail or by fax to:

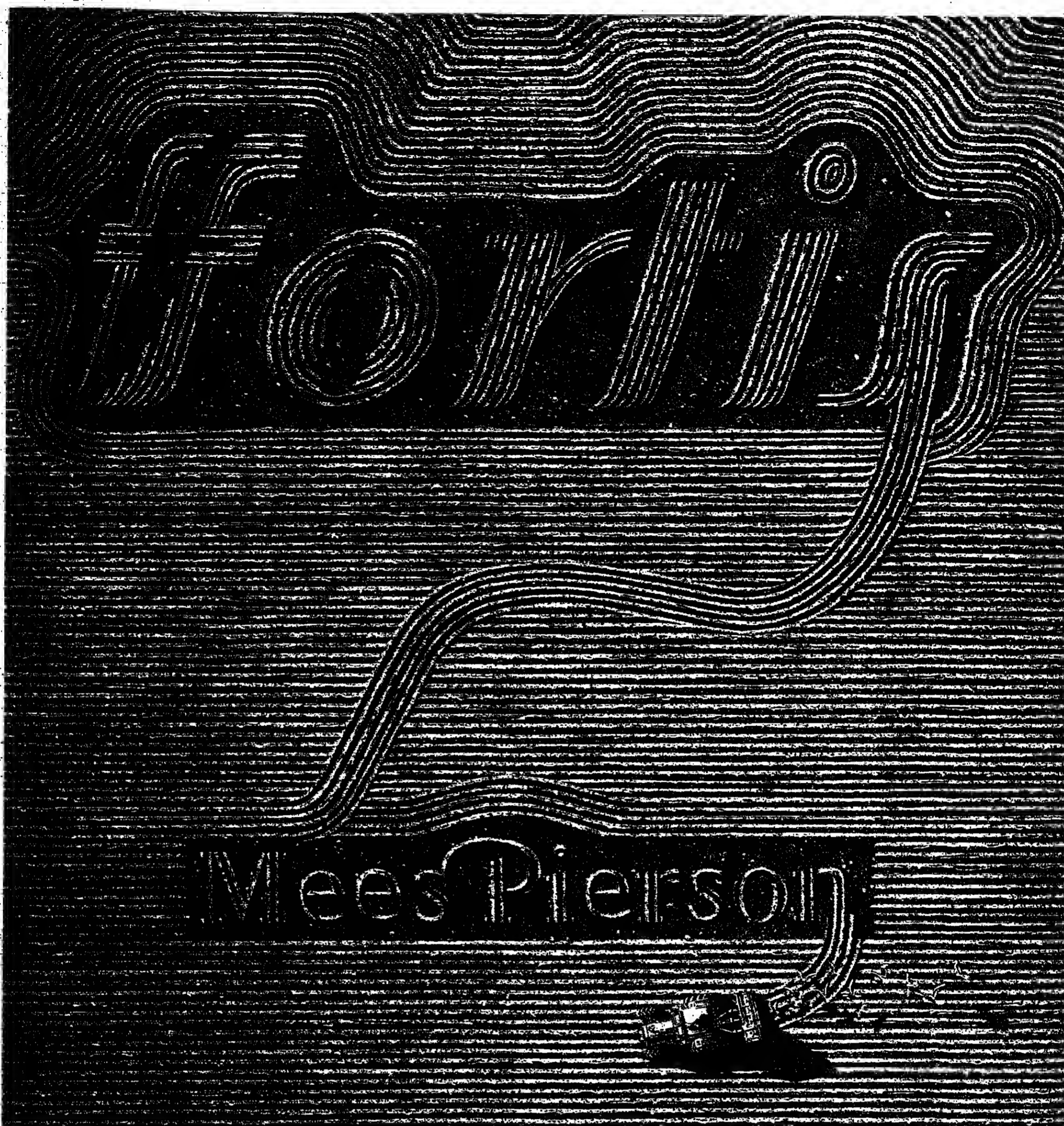
Legal & Secretarial Director
Airport Authority
25th Floor, Central Plaza
18 Harbour Road, Wan Chai
Hong Kong
Fax No.: (852) 2802 8550

A formal submission of response to the Expressions of Interest document will be required by 12:00 noon (Hong Kong time) on 18 April 1997.

All costs associated with any submission in response to this notice or the Expression of Interest document shall be entirely the responsibility of the person(s) or organisation(s) concerned. The Authority reserves the right to reject any application at its discretion and without explanation.

For general enquiries regarding this advertisement, please contact Alan Brown at (852) 2824 7859.

香港機場管理局
AIRPORT AUTHORITY HONG KONG



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Republicans to focus on budget

By Patti Waldmeir in Washington

The US Republican party yesterday sought to overcome the crisis of confidence that has afflicted it since the last election, announcing a legislative agenda that it hopes will give it a new momentum.

Party leaders signalled a new aggressiveness on the issue which tops their agenda: balancing the federal budget. Senator Trent Lott, the Senate majority leader, sharply criticised President Bill Clinton's budget plan, and said that if no progress was made in negotiations over the next fortnight, he doubted a balanced budget deal could be reached.

Republican congressional leaders have come under pressure from conservative supporters for being too keen to follow a bipartisan approach

on the budget. Sen Lott's comments were the latest in a series of increasingly partisan exchanges on the subject.

He said yesterday: "I've tried to keep the rhetoric lowered as much as possible... but the more I've looked at (the president's budget proposal), the less there is to it." Republicans point to an analysis by the Congressional Budget Office saying the president's plan would produce a \$68bn deficit by 2002.

In any case, say congressional sources, the budget process could grind to a halt shortly if a commission is appointed to study the accuracy of the consumer price index. A revision of the basis for calculating the CPI could make it much easier to reach budget balance. The White House is understood to be considering whether to appoint a such a commission.

The Republican party has been drifting since the beginning of the current Congress. The House of Representatives Speaker, Mr Newt Gingrich - whose ethical problems have contributed in no small way - yesterday chided his colleagues for defeatism, recalling that Republicans held control of Congress.

The lack of a Republican agenda has helped create a political vacuum which has been filled by the scandals over campaign finance. But the legislative priorities published yesterday will do little to help. They include largely uncontroversial measures and vague platitudes - a pale version of the Contract with America, the legislative manifesto of the triumphant Republicans in 1994.

They include improved access to health care, fighting gang violence and drugs, and reduced government regulation of business. But regulatory reform - one of the most important areas for legislative action - has so far been held up by congressional squabbling over investigations into political fundraising, and over campaign finance reform.

Mr Gingrich's troubles returned yesterday when a newspaper claimed that he had courted campaign donors on the White House grounds and at two foreign embassies, and promised access to his office.

The Atlanta Journal-Constitution said donors were consulted during the drafting of the Contract with America and were routinely invited to small group discussions.

OBITUARY: PRESIDENT CHEDDI JAGAN OF GUYANA

Marxist spoke from the heart

President Cheddi Jagan of Guyana, who died yesterday in a US hospital after a heart attack three weeks ago, fought hard in his last years against severing the ties with his ideological roots.

Having started life in politics as an avowed Marxist, Dr Jagan, who was 78, had his second coming to political office in 1992 after 30 years in the wilderness.

A few months after the 1992 election, he described his administration as a "working-class government" guided by the ideology of the working class, which is Marxism-Leninism... and not the philosophy and practice of capitalism. Local and foreign business, and his own government ministers, were shocked.

While the government launched an emergency damage limitation plan, it became clear that the president was speaking from the heart. He spoke grudgingly and infrequently of the need for Guyana to be transformed into a market economy, for a greater role for private business and an end to state domination of the main sectors of the economy.

Dr Jagan's politics were rooted in his experiences in growing up in then British Guiana, and seven years as a student in the US. His parents, born in Uttar Pradesh, India, arrived in Guyana when young, and worked on sugar plantations. He benefited from their decision that their children should do better, and he was sent off to Georgetown, the capital, to secondary school.

By then, however, many of the conclusions which would later influence his politics had taken shape. The sugar plantation, he concluded, was two worlds. "One was the world of managers and their European staff in their splendid mansions; the other was the world of the labourers in the 'nigger-yard' and the 'bound-coolie-yard'."

His stay in the US, where



Cheddi Jagan: doubted whether US was land of the free

he studied and qualified as a dentist, also left him with a firm view on capitalist society. Having concluded that the US was the land of unlimited opportunities, Dr Jagan eventually reassessed his opinion. "I began to question seriously whether the US was really the land of the free."

Inevitably, Dr Jagan's politics, and his leadership of the People's Progressive party, were caught up in the racial issue. The PPP was widely seen as the party of the Indo-Guyanese, while the People's National Congress, led by the late Forbes Burnham, once Dr Jagan's comrade in arms but later a bitter enemy, was linked to Afro-Guyanese.

In the early 1960s, after he and Mr Burnham parted ways, there was bitter racial and political conflict between Indians and Africans. Dr Jagan maintained that London and Washington fomented much of the unrest simply because they did not want him, a communist, to lead the government. The west favoured Mr Burnham, and went overboard to ensure that Dr Jagan was kept out of office, he believed.

Dr Jagan's death is not expected significantly to change the course of the country of 800,000 people, whose economy is based on agriculture (sugar and rice) and mining (gold and bauxite).

Canute James

Rising US orders boost inflation fears

By Gerard Baker in Washington

Orders to US manufacturers rose sharply in January, prompting renewed concern that the rapid pace of economic growth may be starting to produce inflationary pressures.

The Commerce Department said orders for durable and nondurable goods increased by 2.5 per cent to a seasonally adjusted \$33.2bn in January, a record. The

increase, the largest since a 2.6 per cent gain in September, followed a decline the previous month.

The monthly figures have proved exceptionally volatile over the last year but the underlying trend clearly points to strengthening demand for manufacturers.

The largest increase was in orders for electrical machinery, which jumped by 16.6 per cent on a month earlier. But that followed a sharp decline in December.

Orders for primary metal goods and transportation equipment continued on their steady upward path.

Factory shipments rose by 1.1 per cent in January from a month earlier, the sixth increase in the past seven months. And the backlog of unfilled orders, an indicator of bottlenecks in the manufacturing sector, rose by 1 per cent, the eighth increase in nine months.

In another sign that the already strong demand in

the economy is gathering pace, the Labour Department said new applications for unemployment insurance fell by 6,000 last week to a seasonally adjusted 310,000. The figure brought the average for the last four weeks also to 310,000, the lowest four-weekly average since last May.

It suggested conditions in the US labour market were now extremely tight, a development that usually produces an acceleration of wage costs. Economists' attention will be focused today on the release of the monthly employment data, which are expected to confirm the trend of strong jobs growth.

Unemployment last month is expected to have fallen from January's 5.4 per cent to 5.3 per cent, a figure which is likely to intensify fears that the Federal Reserve will raise interest rates soon to restrain cost pressures.

Foreign banks taking over in Venezuela

In three years of crisis, overseas groups have moved in, Raymond Colitt and Stephen Fidler write

As Venezuela's banking system has come out of a three-year crisis, foreign bankers have moved in. Overseas groups now control 47 per cent of all bank assets, compared with less than 0.5 per cent when the crisis began.

In December, the first, third and fifth largest banks fell under foreign control. The government - which during the crisis took over failed banks with, together, almost half the country's bank deposits - sold Banco de Venezuela to Banco Santander of Spain and Banco Consolidado to the privately owned Infisa of Chile.

Banco Bilbao Vizcaya of Spain also took control of Venezuela's largest bank, Banco Provincial, by buying the 40 per cent of the shares held by Credit Lyonnais and Venezuela's Polar Group.

More could come under foreign ownership this year, as Banco Latino, the bank that triggered the crisis, Banco Republica, Banco Popular and Banco Andino are privatised. In other signs of foreign interest, ING and ABN Amro of the Netherlands set up banks in 1995, followed by Ecuador's Grupo Popular last year. They joined Citibank of the US and Banco do Brasil, which have had banks in Venezuela for years.

"I doubt whether any banking system has changed so dramatically," said the president of Venezuela's central bank, Mr Antonio Casas, in London earlier this year. This change, he said, had been received calmly by the public. "Venezuelans are now convinced that the participation of foreign banks will result in greater competition and competition is the best guarantee for a healthy banking system."

The foreign influx was made possible by a banking law which took effect at the beginning of 1994 - by chance, as the crisis started to unfold - allowing new foreign entrants, permitting banks to consolidate functions into single universal banks, requiring a strengthening of capital, and providing for a belated enhancement of bank supervision.

If the regulatory powers are enforced, they should help avoid a repeat of the 1994 banking crisis, triggered in large part by off-the-book loans that went bad, to bank subsidiaries or friends and family of owners. Many banks were kept afloat by illegal loans through off-shore banks.

While most observers agree that the current banking law is adequate, some say that its enforcement could be better. "The supervisory system has been strengthened, though I wouldn't say it's optimal," said Mr José Grasso, a financial analyst with Sofiline Consultores in Caracas.

Mr Oscar García Mendoza, president of Banco Venezolano de Crédito, warned: "There are still strong ties between bankers and politicians." He said the autonomy of bank supervision provided for by the 1994 legislation remained compromised by a temporary control board set up by the government to oversee the banking sector's recovery. Mr García said the government had been reluctant to give up its control over the financial sector and to eliminate the control board.

But it is Venezuela's prospects for growth that are drawing in the foreign banks. Bank assets are the equivalent of less than 25 per cent of GDP and are expected to grow faster than the economy. In Argentina and Chile, bank assets account for 36 and 126 per cent of GDP, respectively. Furthermore, the proportion of deposits lent on as credit to customers rather than placed in government bonds is small. Credit represents only 34 per cent of the \$13.7bn combined balance sheets of the banks.

Beyond its growth potential, Venezuela's banking sector was attractive because of its low level of market penetration and sophistication, said Mr Michel J. Gogukian, managing director of Santander Investment in Venezuela.

"There is unmet demand for new products, large loans, better service, in short, for a one-stop financial service network," Mr Gogukian said he hoped to win a small but important number of corporate clients, which have so far been seeking loans abroad.

Most analysts believe the entry of the foreign banks will provoke more bank mergers and a consolidation of the market. "Competition is going to be ferocious," said Mr Grasso.

For many domestic banks, making profits under current circumstances may not be easy. A large proportion of the banks' assets are in government and central bank paper, paying sharply negative real rates. "At the current interest rates some banks seem to be lending at a loss," said Mr García. Last year's return on capital was 58 per cent - less than the 103 per cent inflation. On top of that, he said, high reserve requirements and a contribution of 2 per cent of total assets to the state deposit insurance fund, Fogade, further pinched profits.

However, the newcomers see a much brighter perspective. "Venezuela's net interest rate margin (13 per cent) is far more interesting than in Spain, or elsewhere in Europe, where the market is fully saturated," said Mr Gogukian. "If you can't make a profit here, you're not very efficient."



Canadian ambassador Anthony Vincent (left) and Peruvian Bishop Juan Luis Cipriani, accompanied by a policeman, announce plans for new talks with rebels holding hostages in the Japanese embassy in Lima. The rebels say they will boycott the talks.

Bogotá suspends aerial spraying of drug crops

By Timothy Ross in Bogotá

The Colombian government has announced the suspension of drug crop eradication in reaction to last week's US decertification of its anti-narcotics efforts.

Mr Carlos Medellín, the justice minister, said the decision was taken to allow an evaluation of aerial spraying with herbicides to destroy opium poppy and coca plantations, and of the programme of co-operation with the US.

One of the US arguments to explain decertification last Friday was the failure of the Colombian authorities to reduce these harvests, which, according to satellite photography have increased by 32 per cent over the past year.

The director of the National Narcotics Council, Mr Joaquín Polo, said the suspension of spraying operations was a political rather than a technical decision, as eradication was carried out with US equipment, training and herbicides. For the US government then to say the programme was not working, he said, was "disconcerting".

Police flying on one of the last spraying missions on Wednesday morning, to destroy poppy fields in the mountains of Huila department, expressed resentment over decertification. "We are doing our very best with limited resources and great dangers," said the major commanding a spraying aircraft protected by three helicopters with M-60 machine-guns and six-barrelled Gatlings. "Dozens of our pilots and officers have been shot down and killed on these operations."

The halt to eradication produced immediate reaction in Washington over what is seen as further evidence that Colombia is not co-operating with international narcotics reduction efforts. The State Department warned that the US could still take further action against Colombia, a clear reference to the possibility of economic sanctions.

Such threats, however, seem to be hardening the "narcos-nationalist" political

line. The interior minister, Mr Horacio Serpa, the leading candidate for the next presidency, and criticised by the US for allegedly interfering with police anti-drug efforts, says the possibility of reintroducing the extradition of criminals has now evaporated in response to US interference.

Closer control of the maximum security prisons is also insisted on by the US as a condition for not imposing sanctions. Following indications that jailed traffickers are running their illegal business from prison, an American investigations commission on Tuesday was briefly allowed to visit the Palmira prison, where leading Cali cartel members are held. According to sources close to the Cali crime groups, prison staff and inmates got together to give the commission a good cosmetic impression, while cartel trafficking continues unhindered.

Relations between the US and Colombia have deteriorated further in the wake of the disclosure by the US ambassador, Mr Myles Frechette, that the Rodríguez Orejuela brothers, the leading producers of cocaine and heroin, have offered him evidence connecting President Ernesto Samper to the drugs trade.

A US House of Representatives committee voted yesterday to disapprove President Bill Clinton's certification that Mexico is co-operating fully with the US in the anti-narcotics war. Reuter reports from Washington.

The international relations committee also voted to waive sanctions against Mexico that would normally be applied if the country was decertified. The resolution, approved by a 21-5 vote, was sent to the full House for action.

Similar legislation has been introduced in the Senate. Mr Jeffrey Davidow, assistant secretary of state, told the committee the resolution was "counterproductive" and said of Mexico's anti-drug operations: "The trend is clearly positive."



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Resignations of top-ranking officials prompt doubts over self-regulatory status

Four quit at Manila stock exchange

By Justin Marozzi in Manila

Four top-ranking officials from the Philippine stock exchange have resigned after the exchange suspended a series of insider trading investigations.

The resignations cast doubt over renewal of the exchange's self-regulatory status, awarded by the Securities and Exchange Commission (SEC), the market watchdog, only in December and which

expired at the end of February.

Among those who quit in the last few days were Mr Joseph Antonio, head of the compliance and surveillance department whose responsibilities involved uncovering insider trading, and Ms Josie Joven, head of the listing department, which processes initial public offerings.

The exchange had recently suspended investigations into a handful of companies, a move most analysts believe triggered the resignations.

The head of surveillance is known to be an especially sensitive position in a young exchange yet to come to terms with the problem of insider trading. In 1995, Ms Mariel Lopez, the then chief of surveillance, resigned after three kidnapping attempts and numerous death threats.

Mr Vitaliano Nahagas, president of the exchange, yesterday denied there was anything "arbitrary" in the decision to drop the investigations.

"I estimate we have resolved 40 per cent of the cases we looked at by firing people concerned. A few have been referred to the board, and some were terminated because they were taking too long, because we couldn't find any evidence or because they were too petty". The resignations occurred because of family commitments and career moves to jobs with improved salaries, he said.

The resignations are a serious

blow to the exchange and come at an embarrassing time for Manila. Yesterday was the opening of the third Asia securities forum, a meeting of financial officials from Japan, Singapore, Korea, China, Thailand, Indonesia, India, Taiwan and Australia. The SEC, still engaged in a turf battle with the exchange over authority and regulatory powers, is reported to be contemplating withholding permanent self-regulatory status.

More loans, less aid for Colombo

By Peter Montagnon, Asia Editor, in London

Sri Lanka will have to rely more heavily on commercial markets for its foreign borrowing as a higher living standard renders it ineligible for concessional aid finance, senior government officials said.

A \$50m, three-year floating rate note due to be launched soon through Citibank and ING Barings - Sri Lanka's first sovereign issue on commercial markets since 1982 - is designed to set a benchmark rate for such borrowing, Mr G.L. Peiris, deputy finance minister, said. Sri Lanka would seek a formal credit rating later this year, he said.

Hitherto Sri Lanka has relied on official loans for

much of its \$10.1bn external debt.

But, as its per capita gross domestic product rises towards \$1,000, such flows are likely to become scarcer, said Mr Amarendra Jayawardena, central bank governor.

The FRN is likely to be followed by other operations including a \$50m to \$60m bond issue by the National Development Bank on which the principal will be guaranteed by the Asian Development Bank. But the flow of borrowing will be kept within strict limits. "We are not opening the floodgates," said Mr Peiris.

Demand for the FRN, which has yet to be priced, has proved strong with interest from banks in the Middle East looking for high yielding assets, and from banks

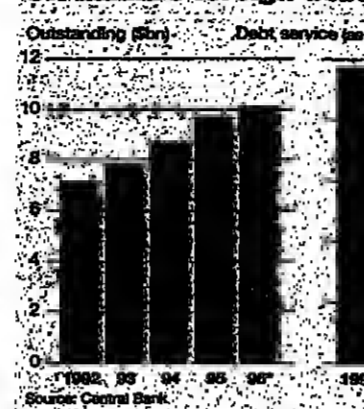
in South Korea whose customers have invested in Sri Lankan businesses.

Investors appear willing to overlook both the serious delays in Sri Lanka's privatisation programme and the continuing civil war which has put pressure on the country's budget.

Instead, Mr Peiris said, they were focusing on a financial performance that was good by South Asian standards including a debt service to total foreign exchange receipts ratio of just 12.5 per cent. The ratio would not be allowed to rise above a range of 15 to 18 per cent as more foreign borrowing got under way, said Mr Jayawardena.

Sri Lanka expected to raise around \$300m through the sale of a 35 per cent

Sri Lanka's foreign debt



stake in its state telecommunications company which will be laid before parliament on schedule in May or June. If the main opposition UNP party declined to accept them, the government would put the issue to the people in a referendum, he said.

"Devolution won't end the war overnight, but it will convince the [minority] Tamil people, that there is an alternative to the war," he said.

Fighting in Sri Lanka kills at least 235

By Arnel Jayasinghe in Colombo

Separatist Tamil Tiger rebels staged a wave of big attacks against government forces in eastern Sri Lanka yesterday, defence officials said.

A total of at least 235 Tiger and government fighters were killed.

Analysts said the attacks were a double blow to the government of President Chandrika Kumaratunga, who is facing a mid-term popularity test at local council elections on March 21.

An estimated force of some 800 gunmen from the rebel Liberation Tigers of Tamil Eelam destroyed the Vavuniya military camp in the district of Batticaloa where the army lost 70 soldiers killed. Another 73 were seriously wounded.

"Ground troops estimate that a minimum of 160 Tigers were also killed in a counter attack involving helicopter gun ships," a defence official said.

The fierce fighting ended a two-month lull in rebel attacks in the eastern province and came barely two weeks after troops wrested control over a key highway from the rebels in the north-west.

Shortly before the attack on the army base, a suicide squad of the Tigers raided an air base in the adjoining district of Trincomalee and destroyed a parked military aircraft.

One airman and four rebels were killed there.

Two Russian-built Mi-17 helicopters collided last week while an Antonov-32 transport aircraft crashed during take off last month. In January, the air force lost a Chinese-built Y-12 aircraft, an Israeli-built Kfir supersonic jet and a small remote-controlled spy aircraft.

China drive to cut bad loans

By Tony Walker in Beijing

Mr Zhu Rongji, China's new vice-premier, has ordered the state debt-burdened banks to cut bad loans by 2 percentage points annually over the next five years.

Up to 20 per cent of loan portfolios are non-performing, by western standards.

Mr Zhu, who as governor of the central bank took control of China's chaotic financial sector in 1993, warned that managers of state-controlled banks would be dismissed if they failed to carry out the instruction.

"The financial sector must make a major push in 1997 to restore financial order and reduce risk," Mr Zhu told delegates to the current session of the National Peoples Congress, the parliament.

China's banks are weighed down by a mountain of bad debt accumulated over several decades. The People's

Bank, China's central bank, has been exerting pressure on banks to clean up their balance sheets, but the continuing disastrous performance of the state sector - state-owned enterprises recorded their worst losses on record last year - is making the task difficult.

Mr Zhu is using the banking system to exert pressure on state enterprises to carry out sweeping market-driven reforms and become profitable. Banks have been instructed to lend only to enterprises capable of servicing loans. In the past, they paid little attention to the profitability of state companies, many of which regarded the banks as "cash-cows" which did not have to be repaid. China's state-controlled banks are verging on being technically insolvent. They require re-capitalisation, but a huge overhang of bad debt makes this difficult.

Pakistan power fears make investors nervous

By Farhan Bokhari in Islamabad and Peter Montagnon in London

Suggestions that the Pakistani government may cut the price at which it buys power from private sector generators sent power shares sharply lower on the Karachi stock exchange yesterday.

Shares in Hub power company fell by more than 4 per cent as the market digested the remarks by Mr Chaudhary Nisar Ali Khan, minister for water and power.

The 1,232MW Hub power plant, which counts Britain's National Power as a leading investor, is one of the largest private power plants in the developing world.

Mr Khan was quoted as saying the price of 6.5 US cents per unit was not acceptable. "We cannot pass on this electricity to the consumers at such high prices," he said.

National Power in London

said it had received no approach from the Pakistani government about power pricing.

Senior government officials in Islamabad said Mr Khan was referring to a pricing policy announced after the Hub project was agreed. Any reversals would not affect the terms of that deal, which in any case were negotiated when the new prime minister, Mr Nawaz Sharif, was last in office.

Mr Khan was referring to a policy introduced in 1993 by Ms Benazir Bhutto, the former prime minister, they said.

It helped end frequent black-outs by increasing overall generating capacity by about 30 per cent.

New plants with a total capacity of almost 3,000MW are due to be commissioned by the end of the decade, but their fuel requirements will double the country's annual oil import bill to at least \$4bn.

One official said the government had no intention of unilateral action. A change in tariff would only come as part of a mutually agreed settlement with power project sponsors.

Some stock market analysts suggested the minister was targeting the Kot Addu station in which National Power has a 36 per cent stake, but this stake was bought when the station was already up and running with firm price contracts.

Most analysts argued at the time that National Power had paid a fair price.

Mr Raza Mirza, head of research at Khadim Ali Shah Bukhari brokerage, said the stock market's reaction was overdone and Pakistan would never default unilaterally on its commitments. But he said: "Such remarks do not send a good signal with respect to the government's commitment to continuity of policies".

Japan's surplus shows increase

By William Dawkins in Tokyo

Japan's politically contentious current account surplus in January showed the first year-on-year rise in 17 months.

The increase to ¥150.7bn (\$1.24bn), from ¥125.5bn a year earlier, was exaggerated by a one-off decline in the deficit on services trade. But it is likely to intensify US concern that Tokyo is taking insufficient action to stimulate the domestic economy and demand for imports. The dollar fell to

¥120 before recovering to above ¥121 in later trading.

Release of the figures comes shortly after Mr Lawrence Summers, deputy US Treasury secretary, sought assurances from the Japanese government that Tokyo would work for a demand-led domestic recovery and not allow the surplus to rise.

Tokyo is committed to tightening fiscal policy this year to curb its budget deficit, which US officials argue is less urgently needed than the finance ministry appears to believe.

Japanese finance ministry officials insist the rise in the surplus was temporary. The deficit on goods and services declined by 8 per cent to ¥234.5bn, within which the surplus on manufactured trade fell by 15.5 per cent to ¥229.3bn.

Manufactured exports rose by 17.3 per cent, helped by a weak yen, while imports grew by 20.6 per cent. Foreign sales growth was led by motor vehicles, with exports up 50.3 per cent.

On services alone, the deficit unexpectedly fell 11.6 per

cent to ¥513.7bn, chiefly because of a smaller shortfall in trade in miscellaneous "other services", a notoriously erratic category, said Mr Peter Morgan, chief economist at HSBC James Capel in Tokyo.

Separate data confirmed that foreign investors sold Japanese shares heavily in January, a feature of the stock market's decline early in the month.

Foreigners' net sales of Japanese shares reached ¥10.8bn, after net purchases of ¥294.1bn in December.

FIRST PACIFIC

FIRST PACIFIC COMPANY LIMITED

FINAL RESULTS HIGHLIGHTS Audited for the year ended 31st December 1996

Change from 1995

• Turnover	US\$ 7,026 million	+34%
• Profit attributable to shareholders excluding exceptionals	US\$ 202 million	+32%
• Basic earnings per share excluding exceptionals	US\$8.62 cents	+16%
• Fully diluted earnings per share excluding exceptionals	US\$8.49 cents	+20%
• Total Dividend Per Share	US\$2.71 cents	+20%

Managing Director's remarks:

"By any measure, 1996 was a year of substantial achievement. Recurrent earnings rose significantly at each of our four core businesses. Maiden earnings were booked at the landmark Fort Bonifacio development in Metro Manila, and we expanded our telecoms activities to the new markets of China, India and Taiwan. Additionally, First Pacific was named a constituent of the Hang Seng Index, reinforcing our status as a blue-chip investment. In view of the substantial potential of our Telecommunications business, the healthy outlook for our Marketing & Distribution activities, the increasing diversity of our Property activities and the strength of our Banking businesses, I am confident of our prospects for 1997."

Manuel V. Pangilinan
Managing Director
3rd March 1997

FIRST PACIFIC

PROCLAMATION

in accordance with the (Norwegian) Court of Law Act section 181 regarding the District Court of Jaren case no. 97-00028 B.

Plaintiff: Transocean AS
Counsel for the plaintiff: Attorney Kai Thøgersen represented by attorney Truls Chr. Tjønn

Defendants: Shareholders in Transocean AS

At issue: Valuation to stipulate the redemption sum for redemption of shares in Transocean AS in accordance with section 3-15 of the (Norwegian) Companies Act.

Due to unknown residences for some of the shareholders the following documents will be announced by notice in the Court House, according to section 181:

1. Request of valuation of 97.01.16
2. Request for statements concerning valuation of 97.01.27
3. Summons to appear at the valuation scheduled 9.00 a.m. on Tuesday, 3 June 1997 in Tjønn town hall, Bryne, entrance C, 4th floor.

The proclamation is completed as from 4 - four - weeks after the notice. Copy of the above mentioned documents will be made available on request addressed to the Court office.

District Court of Jaren
27 February 1997



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Internet: http://www.cmf.ch

FINANCIAL TIMES SURVEY

CREDIT MANAGEMENT

There is a danger that during the present recovery the importance placed upon credit management will decline. **Jim Kelly** examines the lessons learned during the recession and argues that globalisation demands new techniques and systems to keep track of debts and debtors

Shepherding the resources

In difficult times businesses shepherd their resources. Because up to 40 per cent of those valuable assets may consist of debt, many companies turn to credit management when times are bad. But when times are good, who cares if the odd sheep goes astray? Is there a place for the credit manager in a recovery?

This is the dilemma facing the credit management industry. Credit management is historically counter-cyclical and the industry finds that all too often its expertise is thoughtlessly shed by managers eager to reap the rewards of break-neck expansion.

But the past two recessions have - arguably - broken the pattern. Credit managers, so the argument goes, have become so valuable over the past two decades that they have been drawn into the heart of many businesses - a position from which they are well placed to continue to make a contribution during an economic upturn.

But there are still fears that the old pattern will reassert itself. "There are two things happening in the industry which are disquieting," says Mr Paul Stevenson, an independent credit management consultant, and a member of the Influential Institute of Credit Management.

"A lot of companies have pulled clear of the problems of the recession and are coming into better times - cash is perhaps more abundant than three or four years ago. There is less emphasis on credit management."

"But rather than capitalising on the opportunities they are pushing credit management on to the back burner - in cash collection and credit management people are being made

redundant." Mr Stevenson argues that this is poor business logic - even in recovery credit management improves cashflow and can generate income.

"Second, there is a move towards farming out certain parts of the credit function, such as the collection of debts. There are considerable reductions in costs available but personally I think this is a bad idea. It doesn't sit well with the customer service side of credit management."

But these trends have been tempered with the realisation that the present recovery is still fraught with dangers for business, especially small and entrepreneurial businesses. Mr William Simpson, chief economist at Trade Indemnity, the leading UK credit insurance company, says: "Risk is still very prevalent out there. There is strong competition holding prices back. Larger companies tend to dominate their segment, using their clout to press suppliers."

There is also the usual problem in any recovery of start-ups failing. Mr Simpson believes this recession has its own crop of businesses which are operating at a high risk of failure, such as those in electronic publishing and those using the internet. "There are still reasons to be cautious and to take a proactive approach to credit risk management."

As economic activity builds debts are getting worse. "Obviously we hope that some of this is due to activity - we are not sure how much is due to genuine financial distress," says Mr Simpson. Among Trade Indemnity policy holders the average debt 30 days overdue was £275,000 in the fourth quarter of 1996 - compared to £228,000, £176,000

and £164,000 in the previous three quarters of 1996 and £117,000 in the last quarter of 1995.

With increasing globalisation of businesses, cross-border risks also provide credit managers with a *raison d'être*. Trade Indemnity's figures for export debt more than 30 days overdue are £145,000 in the last quarter of 1996, £132,000 in third, £107,000 in the second and £119,000 in the first. Mr Simpson believes that weak economic growth in Europe has made the need for accurate risk assessment across borders acute. Several European countries have poor payment records - France is a case in point.

The need to provide global services - and the need to provide capital for investment - is also changing the sector. Last year Trade Indemnity announced an agreed £17.3m takeover by Compagnie Financière SFAC, which leaves the UK credit insurance market controlled almost entirely by foreign-owned groups.

The SFAC takeover creates one of the world's largest credit insurers. The companies said they would allow the joint development of information technology and the combined group would be better set to meet the increasing demands of multinational clients. SFAC could benefit from Trade Indemnity's growing international expertise.

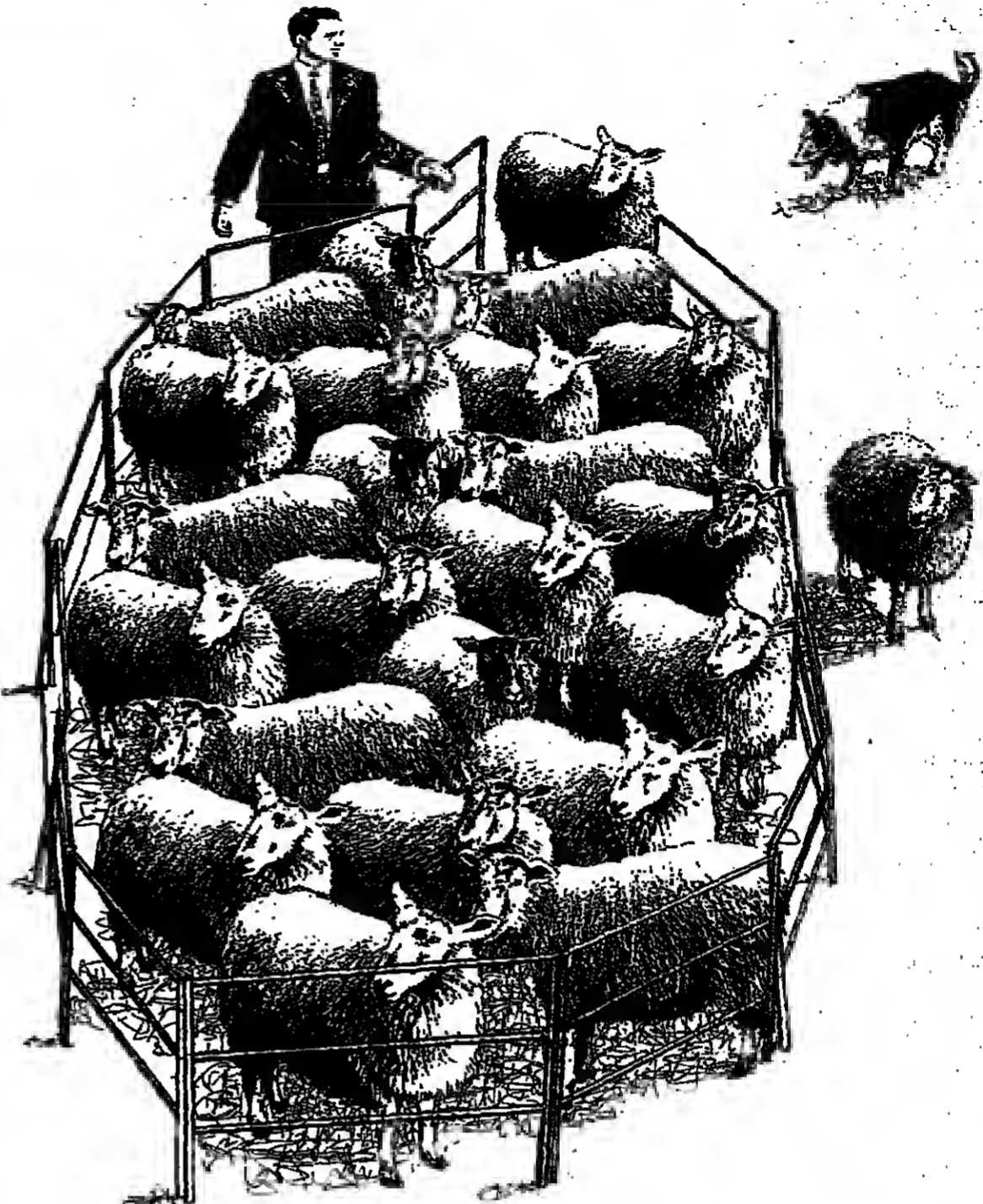
There is also considerable pressure to find new credit management products. Mr Philip Mellor, senior analyst at Dun & Bradstreet, said that the internet is now providing small businesses with a way to order credit information and reports on markets. "We are talking about a totally new market," he said. The company also provides a series of CDs of

which contain information on millions of companies. Both services need clients to upgrade their own technology. "It's there ready for the client when they are ready," he adds.

At the other end of the market Mr Mellor identifies two new services. Providing information on non-corporates for clients is a growing business. The UK government's decision to bring forward legislation allowing firms to become limited liability partnerships - if they disclose accounts - also opens up a whole new range of data for suppliers and customers. Up to 45 people are employed by Dun & Bradstreet in a new call centre in Wales compiling information on non-corporates by telephone interview.

Another growth area for several companies is in decision systems, providing almost instant credit decisions for clients. At Dun & Bradstreet the system is designed to give clients decisions based on the client's own risk policies. Dun & Bradstreet goes into a business and studies its policies and the risks it is willing to take on various transactions. Then, when a transaction comes up, Dun & Bradstreet, via a modem computer link, makes an almost instantaneous decision - either yes, no, or refer. The service is expanding throughout the sector.

The government's campaign against deregulation will provide further opportunities for credit managers. The simplification of accounting requirements and a streamlined audit regime for smaller companies are causing concern within the business community that the information in the public domain on potential suppliers and customers will be less useful.



Simon Fell

There are also more lenders. "An increasingly wide range of organisations have come to recognise their role as credit granters and, as such, are implementing sophisticated credit management strategies. These organisations include insur-

ance companies, mobile communications providers and the utilities," according to Equifax, Europe's leading credit information provider. Overall the credit management industry is likely to benefit from the globalisation of business and its

increasing abilities to use databases to provide customers with timely information. The recession may dent some of the sector's upward momentum but the uncertainties of modern business life - and the emphasis on keeping down controllable

costs - means that credit management as a central business service is here to stay.

The argument for the future may be whether those services should be provided in-house or by a specialist outsourcer.

Dun & Bradstreet

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Nigel Willows
Credit Manager
Trimble Navigation International Ltd

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"Internationally, D&B is my comfort factor. The Payment Score is the first thing we look at when assessing and managing risk. D&B's International Risk and Payment Review helps us decide on which payment methods to adopt. And then if 'the cheque's been in the post' for weeks, we'll use D&B's cross border Collection Services to collect - they're a dedicated resource and we never have to use them twice on the same account. I like the continuity of service from start to finish."

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Photography: Paul Lambert

LATE PAYMENT • by Tim Burt

Battle over late payers

Business organisations are divided over statutory interest charges

Lawrence Chapman is irritated by late payment of commercial debt. A partner at Countryside Art, a small Lincolnshire textiles company, he thinks many customers simply use late payment as a form of free credit.

"We feel we are being used - it starves us of the cash we need to grow," says Mr Chapman, whose company employs 16 people and has annual sales of about £500,000 a year.

Mr Chapman is one of a growing number of entrepreneurs who have called for the imposition of a statutory right to interest on overdue bills, and he recently lent his support to a campaign by Britain's opposition Labour party to introduce the necessary legislation.

The proposal, however, has divided the small business community. Some business leaders back Labour's call for statutory interest, while a large group, including the main employers' organisations, have sided with the Conservatives in opposing it.

Although most EU countries already enforce statutory interest on late payment, the UK government has vowed to fight any attempt to introduce it, and claims that it has proved ineffective where it has been applied.

In the run up to the general election, the issue has become the focal point of the political battle for the small business vote. The Conservatives, self-proclaimed champions of small and medium-sized enterprise, claim Labour is failing to listen to business and accuses it of opting for "clumsy, heavy-handed legislation".



Stan Mendham: voluntary codes and publication of payment records are a step in the right direction

using it to help improve payment schedules.

Their stand, nevertheless, has been criticised by employers' organisations such as the Confederation of British Industry and the Institute of Directors, which have also enlisted the backing of Federation of Small Businesses - representing 96,000 companies - and the Small Business Bureau.

This informal coalition claims that statutory interest is too blunt an instrument to change the UK culture of late payment. They argue that it would simply legitimise late payment, with companies treating it as a form of overdraft.

Mr Jon Alinger, senior policy adviser on small- and medium-sized enterprises at the CBI, says a more subtle approach is needed to persuade UK companies to change ingrained habits. "Most other European countries have a statutory right to interest but it does not seem to have had much effect," he adds. "Italy, Spain and Cyprus have introduced it and remain among the worse payers."

His view is echoed by Mr Stephen Alambritis, spokesman for the Federation of Small Businesses, who believes that even if interest charges were introduced many companies would not collect it for fear of souring relations with customers, and have criticised the Tories for not following the example of countries, such as Sweden and Germany, in

recent move requiring companies to publish their payment records in their annual reports. The federation plans to use that information to draw up a blacklist of late payers, partly to "shame" them into more prompt payments but also to give businesses a chance to avoid those with a dubious record.

To be fair, the opposition parties have advocated such measures for some time. And, like the government, they have backed the CBI's prompt payment code and the introduction last year of BS7860, a British standard for late payers. Although only voluntary, under the standard fines of up to £5,000 can be imposed on signatory companies that fail to meet its terms.

But that is too little, too late, for the Forum of Private Business, which represents 25,000 companies. It claims the CBI and IoD are ignoring the wishes of their members in opposing statutory interest. Mr Stan Mendham, its chief executive, says voluntary codes and publication of payment records are a step in the right direction but do not go far enough. "Late payment costs people their existence in the end and we believe most businesses would welcome [the imposition of] statutory interest," he says.

While the political parties and rival business organisations slug it out, the debate over statutory interest threatens to overshadow the real problem: that in the UK,

most large businesses believe lengthy payment schedules are simply a fact of business life.

If you accept that argument, then it is up to companies to work around it to secure the best terms to protect their cash flow. That can mean pricing contracts to cover late payments, and offering discounts for early or prompt receipts.

Credit insurance brokers claim companies can minimise the risk of late payment by taking out insurance cover as part of their credit risk management. Alternatively, they can use factoring businesses to collect debts or chase debtors.

That all comes at a cost, of course. And for many small businesses credit insurance and factoring is an expensive way of retrieving money owed. "Factoring is not an option because the rates are simply not competitive for a company of our size," says Steven Morrell of SGM Management & Design.

His architectural project management business, employing six people with a turnover of £250,000, tries to agree fixed payment terms before beginning work on a contract.

"We need to move to a situation where companies pay bills when they fall due," he adds. "But it is very difficult to see that happening despite the new measures when the philosophy in this country is that a bill is worth chasing even when it is 30 days overdue."

Brussels demands report which revealed anti-BSE measures were flouted

Minister is attacked over abattoir safety

By George Parker, Political Correspondent

Mr Douglas Hogg, agriculture minister, yesterday faced a barrage of criticism over his handling of a damaging report on abattoir safety, in spite of his insistence that the government did not suppress it.

The European Commission demanded an immediate copy of the exhaustive 1995 audit of UK slaughterhouses, which revealed that measures to prevent the spread of "mad cow disease" and the deadly e-coli organism were being widely flouted.

Sir Hugh Pennington, the microbiologist appointed by the government to investigate the e-coli outbreak in Scotland, expressed his anger that he was not informed of the report.

Mr Hogg defended his position in the House of Commons, claiming the report by a team of veterinary inspectors, who went to each of Britain's 450 abattoirs, was always intended to be an internal working document.

He claimed that ministers never saw the report, compiled by the Meat Hygiene Service - an agency of the agriculture ministry - even though it was the most exhaustive survey ever compiled on slaughterhouse standards.

Mr Tony Blair, leader of the opposition Labour party, said the episode demonstrated endemic secrecy in the government and an unseemly willingness of ministers to hide behind their officials.

"When will someone in this government take responsibility for the proper and competent administration of our affairs?" he asked in the House of Commons.

Mr Blair will today promise in a speech to a party conference in Scotland that Labour will set up an independent food safety agency if it wins the general election, expected on May 1. It would take on responsibilities from various government departments and produce an annual report to parliament.

Mr Hogg made clear yesterday that his ministry's first priority was to raise

abattoir standards without necessarily revealing when severe lapses were detected.

The MHS report, edited by Mr Bill Swann, said in December 1995 that poor hygiene standards in abattoirs were providing a breeding ground for e-coli - which has killed 20 people in Scotland in four months.

Mr Hogg told the Commons the report was "rather unsatisfactory" and that Mr Swann refused requests from his colleagues to rewrite it. Eight months later the 54-page report was condensed by the MHS into an 11-page summary on the red meat industry, with most of Mr Swann's original recommendations and graphic accounts deleted. The report was circulated to the National Farmers Union and the meat industry, but its existence remained unknown to the public until it was disclosed in the *Financial Times* yesterday.

Labour has opened up an unprecedented 26 point lead over the Conservative party according to a Gallup poll published in the *Daily Telegraph* today.



Douglas Hogg, on crutches after an accident, leaving 10 Downing Street after yesterday's Cabinet meeting

Customs to step up assault on fraud

By Jim Kelly, Accountancy Correspondent

The Customs & Excise Department said yesterday it would hire 350 extra staff in the government's efforts against tax evasion, avoidance and fraud.

Eighty of the newcomers would join the 250 now investigating smuggling in the European Union while about 100 would concentrate on "diversion fraud" in which goods are sent to a home market, rather than for export, and tax is lost. A further 80 staff would concentrate on the trade in illicit tobacco.

Mr Phillip Oppenheim, a junior Treasury minister, said: "This will allow Customs to build on the excellent work it is doing to crack down on the new breed of criminal gangs who are evading the tax they should pay."

The 350 extra jobs follow a government pledge last year to spend £800m over three years on recovering £6.7bn in unpaid tax. The pledge was given in the Budget proposals from Mr Kenneth Clarke, chancellor of the exchequer.

The Customs department, responsible for value added tax, is to spend £88m on recovering £2.25bn.

The department, which already has a payroll of 25,000, would now be better placed to tackle gang smuggling, Mr Oppenheim said.

New staff would include five specialist accountants to help stem avoidance. A further 80 staff would get extra training.

Many of the new staff would help tackle the "shadow economy".

"The extra resources will also be used to combat businesses who should be VAT registered, but are not, and who therefore have an unfair advantage over those who pay the tax," said Mr Oppenheim. "This will ensure that the ordinary, honest taxpayer is protected."

UK NEWS DIGEST

Strike deadline is set at Peugeot

Workers at the Peugeot car factory near Coventry in the English Midlands will ban overtime next Friday and go on strike a week later - unless a dispute about pay and working hours is settled. The decision, to be ratified by shop stewards today, gives both sides time to continue talks over the two-year package. Meanwhile, a ballot of workers at the Iveco Ford truck plant at Langley, to the west of London, has supported a trade union campaign to oppose closure of the factory, which will involve the loss of 450 jobs.

● Rapid growth in the UK market for new cars in January slackened considerably last month, with lack of interest from private buyers again causing concern in the industry. Figures from the Society of Motor Manufacturers and Traders show that new car registrations in February were 2.4 per cent higher, at 162,887, than in the same month a year before. The statistics show a further significant rise in the share of the market taken by imports. These accounted for 65.4 per cent in February compared with 62.4 in the same month last year. *Andrew Bolger*

THE ECONOMY

Survey says retail sales weaken

Growth in retail sales took an unexpected downturn in the first two months of the year, the Confederation of British Industry, the biggest UK employers' lobby reported yesterday. Its monthly retail survey found that the sector had a weak start to the year because consumers are becoming increasingly price-conscious.

The decline followed a strong period of sales growth in the middle of last year. The data provide further statistical evidence that the economic recovery is not fully filtering through into shopping streets. It is also consistent with other recent data suggesting that economic performance is more uneven than had been assumed.

Mr Alastair Sparrow, chairman of the CBI's distributive trades survey panel, said "there has been a change in consumer psychology since the last recession. Consumers have become more careful. They shop around more aggressively before making purchase decisions". According to the CBI's survey, the net balance of retailers reporting higher sales volumes dropped sharply from a range of 40 per cent to 55 per cent between June and October last year to 24 per cent in February. *Wolfgang Münchow*

NORTHERN IRELAND

Several questioned after bomb

Several people were questioned last night after a failed bomb attack on police and British soldiers in Belfast, the Northern Ireland capital. The bomb, which police believe was detonated by command wire from up to 25m away, exploded behind a garden wall near a joint army and police foot patrol. Elsewhere in the city, weapons and explosives were seized when security forces raided homes. Two "coffee-jar" grenades, bomb-making material, weapons and radio equipment were found.

STATE AID

Valco invests \$22.8m in factory

Valco, the French automotive components company, is investing £14m (\$22.8m) in its factory near Swansea in south Wales. The factory, which now employs 470 people, assembles climate control units and the expansion will introduce a new product range. The project is being supported by a UK government grant. *Roland Adburgham*

INDUSTRIAL MACHINES

Construction equipment in W Europe

	Total in W Europe	Total in UK	% in UK
Road construction scrapers	669	250	37
Single-drum W trucks	50,100	16,800	33
Articulated dump trucks	13,345	4,000	30
Back-hoe loaders	140,850	37,000	26
Crawler excavators	106,300	16,500	15
Mini excavators	115,500	15,500	13
Skid steer loaders	49,550	6,500	13
Agricultural tractors	5,77m	0.5m	7
Wheel loader	76,950	2,000	2

* telescopic Source: Off-Highway Research

Building sector well dug in

The UK accounts for only 7 per cent of western Europe's agricultural tractors but 37 per cent of the road "scrapers" used in road building, according to a survey of the European construction equipment industry by Off-Highway Research, a London consultancy. Britain has just 15 per cent of the population of western Europe. But for many types of construction equipment, the UK's share is appreciably higher than this, reflecting the high level of mechanisation used in the sector. For instance in back hoe loaders - machines with digging equipment at either end - the UK's share is 26 per cent, partly because of the dominance in the local market of J.C. Bamford Excavators, which makes these machines. In skid steer loaders - small highly manoeuvrable trucks - and mini-excavators, the UK's share is 13 per cent. *Peter Marsh*



Roger Beale of the *Financial Times* was voted Cartoonist of the Year in the Press Gazette British Press Awards, presented in London last night. The cartoons above have been published in the past year.

Soccer shares dip after valuation fears

By Patrick Harsverson in London

Soccer club shares, the toast of the stock market last year, have fallen 28 per cent from their highs in the past two months, indicating that the love affair between investors and the game has begun to wane.

The sharp decline, which has cut the combined market value of the quoted clubs to £1.1bn (\$1.8bn) has been prompted largely by a belief that soccer share prices are overvalued and that forecasts of television revenues have been too optimistic. Poor on-field performances by some clubs, and profit-taking by City of London institutions, have also contributed to the sector's fall. Analysts believe the declines could cast a shadow over forthcoming soccer offerings by making investors more cautious. "The recent consolidation

Footballers Bruce Grobbelaar, John Fashanu and Hans Segers along with Malaysian businessman Mr Heng Suan Lim face a second trial on charges of attempting to rig Premier League soccer matches, the Crown Prosecution Service announced yesterday, John Mason writes. The CPS confirmed its intention two days after the seven-week

has made people approach the sector in a more careful way," said Mr Nick Batram, analyst at stockbroker Greig Middleton.

At least five clubs including Premiership giants Newcastle United are preparing to float in the next two months while shares in Birmingham City, of the first division, begin trading today. The new flotations will take the number of listed clubs to 17,

first hearing ended with the jury unable to reach a verdict.

The four are accused of conspiring to give or receive money to influence the outcome of matches. Grobbelaar faces a second charge of corruptly accepting £2,000 (\$3,260) from a former business partner for attempting to influence the outcome of a match. All deny the charges.

up from just five a year ago. The biggest share price declines in the past few weeks have been recorded by the smaller clubs.

Southampton and Sheffield United, whose shares jumped to big premiums when they came to the market, have each fallen 50 per cent from their highs. However, even Manchester United - whose shares yesterday rose 10 pence to 657½ pence in Lon-

don after the team's comprehensive victory in the European Champions League on Wednesday night - has dropped 11 per cent since the end of January.

But analysts believe the share price correction may be good news because it has put clubs on more realistic valuations and allayed fears of a crash in the sector.

Mr Bradley Mitchell, fund manager at CU Asset Management, which owns shares in many of the quoted clubs, said the sector was beginning to mature as some investors switched out of the smaller, less successful clubs into bigger more established ones. "We've been selling down some of our holdings in certain clubs and we've been taking some healthy profits," he said.

Editorial Comment, Page 15

Nissan backs campaign to remain in EU

By David Wighton, Political Correspondent

Some of Britain's biggest companies yesterday backed a new campaign by MPs and businesses to warn of the dangers of withdrawing from the European Union. Companies including BP, BAT, Guinness and the Vauxhall offshoot of General Motors have contributed a total of £50,000 to an advertising campaign by the cross-party European Movement. The aims of the campaign were supported by Nissan.

Nissan warned that British exports to the rest of Europe could suffer if the UK looked as if it wanted to withdraw. Mr Ian Gibson, chief executive of Nissan's UK subsidiary, said increasing scepticism in Britain on the European question was not understood by its customers in Europe.

"I fear they will see the arguments as Britain not wanting to be part of Europe and will feel more comfortable purchasing German or Italian products," he said. It was essential for the UK to accept it was "unquestionably part of the EU" in order to retain the "vital" benefits of the single market.

Mr Giles Radice, the Labour MP who is chairman of the European movement, said the campaign had been prompted by the increas-

ingly Eurosceptic trend of the debate in recent months. "For the first time over the last 18 months there have been serious figures arguing for withdrawal."

The campaign, which has received £150,000 of EU money, will focus on "97 reasons to be in Europe". One is that 58 per cent of the UK's visible trade is with the EU. Exports of goods to Germany are higher than to the US and those to the Netherlands are greater than to China, South Korea, Hong Kong and Indonesia combined.

● Engineering employers yesterday criticised the UK government's plan to enforce the European Union working time directive by imposing fines against companies that breach its provisions. Our Employment Editor writes. They have told ministers that the proposal goes much further in compelling employers to comply with the legislation than the European Commission requires. Ministers originally resisted the directive, which imposes a legal working hour limit of 48-hours a week and four weeks' paid annual leave.

It was only after a recent European Court of Justice judgment that the government agreed to introduce the directive to UK law.

Editorial Comment, Page 15

Banks may issue euro cheque books

By George Graham, Banking Correspondent

UK banks may issue separate euro-denominated cheque books to make sure that the clearing system will be able to handle cheques written in the new European currency as early as the beginning of 1999.

The proposed start date for the single currency is January 1999. The Cheque and Credit Clearing Company, which handles 3bn cheque payments a year, has concluded that businesses will want to be able to make payments in euros whether the UK adopts the currency or not.

Any UK cheque is presumed to be written in sterling, so there are plans to redesign cheques for euro payments.

These would include changes to the magnetic ink code at the bottom of each cheque which is read by automatic processors.

"In the UK, business to business payments are still predominantly made by cheque," said Mr Stuart MacKinnon, head of European affairs at the Association for Payment Clearing Services (Apacs), the organisation which oversees UK payment systems. "Our view is that there will be a demand for a euro-denominated cheque for trade payments irrespective of whether the UK is in or out."

Mr MacKinnon will outline Apacs plans in a speech to a conference on European monetary union in London today. In France, the banks have also concluded that a separate euro cheque

is needed to make absolutely clear, during the transition period when both the euro and franc will be in use, which currency is intended. German banks expect to use a single cheque for payments in either D-marks or euros.

Preparations for a euro payments service in Chaps, the electronic system which provides instant big value transfers between banks, are already well under way. At the wholesale end of the market, Mr MacKinnon says, there is no dispute over the need to handle euros, whether or not the UK joins Emu, because London's financial markets will deal heavily in euros and the UK will also need an access point to the EU-wide Target payments system.

Editorial Comment, Page 15



The Finished Article

1. The proof of this commitment is the development of a multifunctional steering wheel that has pinpoint accurate steering 11 fewer reasons for the driver to let go.



Freude am Fahren

building cars only on the about having a superior

MANAGEMENT

Capital is abundant in Germany, so why do young, innovative companies find it hard to raise new equity finance? This has long been a heartfelt cry among more progressive members of the country's financial community. Now, with unemployment at record levels, it is voiced more loudly than ever.

As experience in the US has shown, small, dynamic companies provide the most new jobs. In the US and UK, the stock market is an obvious source of new finance. But in Germany, the number of share issues is a mere trickle by comparison.

Hence the hopes placed in a new venture launched next week by Deutsche Börse, which runs the Frankfurt stock and derivatives exchanges. Called the Neuer Markt (new market), it is aimed at companies in rapid growth sectors - especially with a high-tech bias - which might otherwise have ignored the bourse altogether or opted for a listing on Nasdaq, the computerised US exchange.

Since there is already a market in Europe along Nasdaq lines, namely Easdaq which began in Brussels last November, the Neuer Markt is overdue in the view of some observers.

Alexander Magona, German analyst at Robert Fleming, the UK investment bank, admires the way the new German market has been set up. But, he notes: "If the stock exchange had done this two years ago, it would have been revolutionary."

Gerd Schmid, head of MobilCom, a mobile telephone network specialist which will be the first company to raise money on the Neuer Markt, says the same. "The Neuer Markt is coming now because more companies have been going to Nasdaq." Thus adds Magona, "they [the stock exchange] needed the threat of Easdaq and Nasdaq to get them into motion."

Now, however, the Neuer Markt - which will link with similar operations in Paris, Brussels and Amsterdam to form the Euro-NM as a rival to Easdaq - is on the starting line. "The timing couldn't be better," says Reto Francioni, a Deutsche Börse director. Yet while he hopes it will become a vital part of the German equity scene, he is not expecting overnight success. It will take a year or so to assess the real impact.

Compared with the main stock market, listing and reporting requirements will be stiff. Companies will have to produce quarterly reports under international accountancy standards and publish information in German and



Frankfurt bourse: companies are queuing up to join the new market. Tony Andrews

A new German market is aimed at smaller, rapid growth companies, says Andrew Fisher

Börse bonus

English. They must be active in investor relations. To obtain a listing, they will have to issue voting shares only, have a minimum issue volume of DM10m (£3.6m) and ensure the original shareholders do not sell stock within six months.

Undaunted, companies are queuing up to join. Deutsche Börse says. Certainly, the potential is there. Stephan Schuster of Deutsche Morgan Grenfell, says the bank has identified 200 corporate customers as potential candidates for listing. Altogether, some 1,500 German companies could come into this category.

MobilCom will be the first com-

pany to raise money on the Neuer Markt. Bertrand, an engineering design and services company for the motor industry, will also join at the start, transferring its listing from the bourse's existing junior market. Utimaco Software, which makes software security systems, plans an issue towards the end of the year. Deutsche Börse hopes around 20 companies can be listed in the first year or so.

Heinz Kenkmann, a Bertrand director, says the Neuer Markt should be an "enrichment" for the German stock market, providing a transparent, liquid and performance-oriented trading

environment for small company shares.

All three companies are highly ambitious. Bertrand, whose turnover grew 44 per cent last year to DM103m and is expected to advance 22 per cent in 1997, has 5 per cent of the DM20bn European market in its sector. But it is growing faster than the market and plans to expand in Germany and abroad. In a few years, Kenkmann hopes a third of Bertrand's turnover will come from outside Germany against 5 per cent now. It is pushing into the UK market, having established a foothold in France. Further ahead, it is eyeing the US market. Its workforce is set to rise to 750 this year from 645 in 1996.

Schmid says MobilCom, whose workforce has risen from 151 a year ago to 222, would never have contemplated a public share issue without the Neuer Markt. "In the traditional way of thinking, there would have been no place on the stock market for a company like ours. We're too young. We're in our fifth year and only our second year of profit. Last year, we paid our first dividend."

By 2000, it aims to double turnover, which rose 29 per cent last year to DM265m, and triple pre-tax profits, which totalled DM12m. Schmid wants 40 per cent of the share issue, which could raise as much as DM40m, to go to foreign investors.

With such a short track record, MobilCom is not the type of company German banks have previously brought to the market. Nor is Utimaco, whose turnover (half of which is abroad) grew 39 per cent last year to DM35m with a target of DM100m in 2000.

Horst Götz, Utimaco's chairman, says it plans to raise at least DM15m. The money will be used to expand in Europe and Asia, with acquisitions very much in mind. He bemoans the lack of a full-blown equity culture in Germany. All three companies court foreign investors, especially UK funds and institutions specialising in small and medium-sized companies. The Neuer Markt's structure, with domestic and foreign banks and investment houses acting as sponsors in a role combining market-making, research and advice, is designed to promote liquidity and thus stimulate investor interest.

Yet despite their reluctance to buy shares, Germans lose huge sums each year on dubious investment schemes promising impossibly high returns. "We have to reclaim some of that money," Götz says. Magona thinks the Neuer Markt should be an ideal vehicle for this.

Gameplan which put PlayStation on top

Michio Nakamoto explains how Sony snatched leadership of the video games market

Three years ago Sony was a nonentity in the video games market; today it is the market leader. It has sold 12m of its PlayStation games machines worldwide, compared with Sega and Nintendo which have sold 7m and 4m respectively of their latest machines. Just how has Sony beaten its rivals in such a short time?

Part of Sony's secret has been the way it has realised synergies between its hardware and software operations. It has combined its expertise in electronics technology with its software marketing know-how, acquired through Sony Music Entertainment, its record company.

Initially Sony was not particularly interested in the video games market, which had been more or less single-handedly developed in Japan by Nintendo. Ironically it was Nintendo that provided Sony with an interest and a crucial foothold in the market. Shigeo Maruyama, then vice-president of SME, had become hooked on video games after winning a Nintendo Super Famicom video games machine at a party.

Maruyama decided he wanted to produce software for the Super Famicom and set up a division within SME, which launched several popular titles for the Nintendo machine.

"So, Sony already had a group within that had direct involvement in the distribution of Nintendo software," explains Masatsuka Sakai, senior vice-president at Sony Computer Entertainment, Sony's video games company which developed the PlayStation.

Meanwhile, the consumer electronics division of Sony was also making some semiconductor chips for the Super Famicom. Discussions began on the possibility of producing a machine that would use CD-Roms instead of the more expensive cartridges Nintendo's machines used.

Although that project never took off, it was enough to spark interest at Sony in entering the video games market.

Sony set about preparing for its plunge into the market with meticulous market research. The best chance it had of breaking into the market, it decided, would be to launch an advanced machine at the point when the market for Nintendo's



Super Famicom had become saturated.

The company's technological expertise meant that producing an attractive machine was not the biggest problem. There were other hurdles. For one thing, although the name Sony is one of the most widely recognised consumer brands in the world, the company did not have any street credibility in video games.

The strategy SCE adopted was to underplay the Sony name and emphasise the PlayStation brand in TV advertising.

At the same time, it decided not to sell the PlayStation at consumer electronics retailers.

Sony's market research in Japan had shown it that consumers do not buy video games machines at consumer electronics retailers but at discount stores and specialist video games stores.

The move was unprecedented and triggered protests from shops which normally carried Sony's consumer products.

SCE stood its ground, helped by the fact that it was separate from Sony. If the video games business had remained within Sony it would have been more difficult to keep the machines out of its affiliated retailers and so build SCE's image as a video games maker.

Sony was fortunate that Sega launched its 32-bit machine, the Sega Saturn, in Japan just one month before Sony brought out the 32-bit PlayStation. Not only did the Saturn establish the superiority of 32-bit technology among consumers, the timing provided a perfect opportunity for Sony to create the impression, through media coverage, that the battle for the 32-bit market was going to be between Sega and Sony.

Leadership from SME executives, who went to work inside SCE, was also important to the PlayStation's success.

Sony is principally a manufacturer of hardware that prides itself on its technology. But those who joined SCE from the music company knew that software sales would drive sales of the PlayStation. They decided to sell the games machine at a low enough price to attract consumers, even if this meant losing money initially.

The importance placed on software also encouraged SCE to court independent software producers with a licensing deal that was far more attractive than Nintendo's. As a result, software producers which had long been affiliated to Nintendo, and had been instrumental in boosting Super Famicom sales, switched their allegiance to SCE.

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JAN 2015



Philip Stephens

The dynamic duo

Two big ideas this week attempted to change the relationship between the state and the individual

Mostly we are deafened by the noise of politics, by the inane clatter of party point-scoring, of gaffes and blunders, indiscretions and empty rhetoric. In Britain these past few years, there has seemed no escape. Yet, at rare moments, the gentle whirr of creative thinking can be heard above the din.

New ideas break the spell of the past. We catch a glimpse of the world as it might be. It has happened this week. From both sides of the spectrum have come visions of the future. If their authors only knew, these excursions into serious politics are complementary rather than contradictory.

John Major told us how he would redraw the boundaries of the welfare state. Tony Blair and Paddy Ashdown offered the nation a new constitutional map. The first is designed to transfer responsibility from state to individual, the second to move political power in the same direction. There are flaws and omissions in both designs, but, for once, the politicians have been courageous enough to change the terms of debate.

Start with the government's proposal gradually to replace state pensions with personal, privately funded, schemes. Eight weeks from a general election, this is easily dismissed as a last throw of the ideological dice by an administration clinging to power by its fingernails.

Yet the blueprint drawn by Peter Lilley, the social security secretary, and presented in 10 Downing Street by John Major will long outlive its inspiration. The prize, albeit in 40 years' time, is a cut of 10 per cent or more in overall public spending. In cash terms, that is £40bn a year.

The plan is remarkable for the sheer ingenuity with which it proposes to shuffle the pensions burden across the generations. A leap from the present pay-as-you-go

system to funded provision has always meant one generation paying twice for its security in retirement. But Mr Lilley has spread the load with such sleight of hand as to render it virtually invisible.

It is a pity about Mr Lilley. His handling of the social security portfolio has been a rare example of serious administration. All who know him comment on his intelligence and diligence. Were it not for his eccentric hostility towards the European Union he would be at the front of the field among contenders for the succession to Mr Major.

Sadly, Mr Lilley sat at the feet of Enoch Powell at an impressionable age. He was exposed, so colleagues say, to that Powellite strain of English nationalism whose logic is at once as incontrovertible and as flawed as that of the asylum.

I digress. Mr Lilley's proposed Basic Pensions Plus (an epithet carefully chosen to hide the reality that the state pension will disappear) sets a direction from which there can be no turning back. The stuttering response of New Labour – surely Mr Blair is not serious about giving Harold Harman cabinet responsibility for social security? – offers ample testimony to that reality.

From both sides of the spectrum have come visions of the future. These excursions into serious politics are complementary, not contradictory

A Blair government might produce a rival scheme, striking perhaps a more symmetrical balance between the responsibilities of state and individual. The Lilley plan is hardly generous towards those at the lower end of the income scale.

But a rubicon has been crossed. The weakness of the present pay-as-you-go arrangements has been exposed. And, most importantly, the present flat-rate payment to the retired rich and poor alike is no longer inviolate. Nine decades on from Lloyd George's first experiment with state insurance, that particular taboo has been broken.

There is scope now for a New Labour government to develop its alternative proposals for a mix of individual, state and co-operative pension arrangements. Gordon Brown, the shadow chancellor, has long been studying the options.

Above all, a route has opened up by which Mr Blair could turn his oft-promised reform of the welfare state into reality. The promise, even long term, of substantial savings on social security begins to open all sorts of possibilities elsewhere.

This week's accord between Labour and the Liberal Democrats on a programme for political reform was presented in less grand surroundings than 10 Downing Street. Unduly nervous of the Conservative charge that they have struck a grubby pre-election pact, the party leaders left the task to their lieutenants on the issue, Robin Cook and Robert Maclennan.

Too many of those in close proximity to Mr Blair see constitutional change as an issue for the metropolitan chattering classes, irrelevant to the middle England votes needed to put New Labour in power. The same argument, of course, was deployed by opponents of the Great Reform Act a

century and a half ago. But the conclusions of the two parties' joint committee on constitutional reform are no less momentous for such cynicism. The simple fact that Labour and Liberal Democrats can agree on the broad shape of reform during the next parliament is significant enough. Co-operative politics is alien to the British system. More telling still, Labour has signed up from a position of strength. This is no last, desperate effort to prise the Conservatives from office.

If implemented, the programme would bring an irreversible shift in the way the nation is governed. Mr Lilley's pensions plan is built on the premise that the state must hand back to individuals control of their economic destiny. Messrs Cook and Maclennan are talking about breaking the state's authoritarian grip on political power.

Their starting point, rightly, is that the British state is too centralised, too unrepresentative and too secretive. Devolution in Scotland and Wales, a bill of rights, freedom of information, reform of the House of Lords and, step by step, electoral reform are of a piece in their ambition to return power to people.

The two parties have not settled all their differences. Mr Blair's reluctance to consider a more representative electoral system for the House of Commons leaves them with the pledge of a referendum without a firm recommendation. In legislative terms, the programme seems to rest precariously on the initial success of Scottish devolution.

The Conservatives say no to any serious reform: liberal in their economics, they seek a socialist monopoly of political power. But, once under way, the process of reform could not be stopped. Once in a while, ideas count for more than slogans.

LETTERS TO THE EDITOR

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N Korea's old guard is flexing its muscles

From Mr Aidan Foster-Carter

Sir, John Burton repeats the oft-heard view that North Korea's old guard is "being eased out in favour of a new generation of technocrats that supports a gradual opening" ("North Korea loses third man in leadership", February 26). I fear the very opposite. It is the technocrats who are being eased out. A case in point is Kang Song-san, recently dismissed as premier. While illness was a factor in Kang's case, this cannot explain the ominous exclusion of pragmatists from the recent funeral committee for the

late defence minister, Choe Gwang.

In the past, these lists have been a broad cross section of Pyongyang's three estates: party, military, and government. But on this occasion more than half the names were military, including a trio of marshals who were placed sixth to eighth, above full politburo members. By contrast, mere cabinet ministers and even deputy premiers were no longer listed at all. Specific reformist absentees, whose high party rank should have guaranteed their presence, include former premier Yon Hyong-muk, and the metal

industry minister Choe Yong-rim.

Mr Burton also has hopes of "younger generals who emphasise professionalism rather than ideology". But this too may be wishful thinking. The North Korean officer class, old and young alike, is both profoundly ignorant of the wider world and well aware that economic reform would clip its wings and cut its vast budget. I would not hold out much hope of young Turks, as some in Seoul do.

One important corollary is that those North Koreans who are Pyongyang's face to foreigners are not those with

real power. Neither Kang Sok-ju, the deputy foreign minister who negotiated the 1994 Geneva nuclear accord, nor Kim Jong-u, recently in Davos touting for foreign investment, was on the funeral list. Such men are able and affable, but they are subalterns. It is far clearer that their masters are committed to even "gradual opening": let alone the urgent reforms needed if North Korea is to survive.

Aidan Foster-Carter, author and publisher, New Korea Committee, PO Box 815, Shipley, West Yorkshire, BD18 3Y

Barrage of adverts spoils American TV's jewels

From Mr Richard Jones

Sir, Christopher Dunkley wrote an interesting article in which he compared television sitcoms produced in the UK and the US ("If it's witty, it must be American", February 22/23).

The thrust of the piece was that some contemporary US comedy is in many ways superior to that produced in the UK.

I cannot comment on the veracity of his point of view, for the American shows he cites as examples of cutting-edge wit have passed me by (Fraser, Seinfeld, The X-Files, etc.). I am aware of them, for they are talked

about a great deal, as he outlines.

Here in America, such shows are mostly aired on the "cheap channels". These are the local affiliates of the big broadcast networks, such as NBC, ABC, and Fox, and are little more than relay points: they produce almost nothing of their own except coverage of local events.

Programme presentation is generally awful. The schedule's contents are naturally spotty in quality, ranging from middling news presentation, silly chat shows of the Oprah Winfrey variety, to the comedies under discussion.

What really gets up my nose is that the output is a vehicle for a barrage of adverts, many produced very amateurishly by a local trader and his dog, using a wonky second-hand video camera.

At the end of a show, it's time for some commercials, followed by the show's credits run at super-high speed, then peddlers of second-hand cars, succeeded by opening scenes of the next item, and AGAIN, more commercials.

Without using a stopwatch I could not say how much of one hour's viewing is devoted to actual entertain-

ment, education, or information. But if, in error, I have pen upon one of these channels, it seems that I watch long series of adverts, with an occasional break for a programme.

I avoid the local TV stations like the plague. Of 70-plus cable channels we have available in Houston, everything under channel is almost universally irritating, or banal.

Richard Jones, 8245 Wednesbury Lane, Houston, Texas, 77074-2939, US

Early days of monetary union

From Mr Michael Parsons

Sir, the quote below, from *A Guide to Belgium*, published in London in 1905, provides useful ammunition for both sides in the current Euro debate.

"Belgium is in the monetary union (comprising also France, Italy, Greece and Switzerland). The currency is reckoned by francs and centimes."

The English sovereign is worth 25 francs at par, and

travellers should never accept less in changing English gold or English banknotes at the hotels and at railway stations. The rate of exchange is invariably slightly in favour of English over Belgian money, though it varies daily."

Plus ça change....
Michael Parsons, 26 ave. Général Guisan, Lausanne, Switzerland CH-1009

Notes on the Underground

From Mr D. S. Wallace

Sir, Peter Martin's excellent article "Full circle to disaster" (March 1/2) neatly covers the history of the London Underground.

No easy financial solutions emerge from that history, but better options do stand out.

● The requirement for an integrated system under strong management.
● The need for a democratic London authority in rela-

tionship with management
● Local finance – through fares, private London business and a London precept
● Difficult future decisions with regard to all London traffic seem inevitable. London taking up its responsibility for the Underground would ease that future.

D. S. Wallace, 14 Derwent Avenue, Edmonton, London N18 1BW, UK

The FT Interview • Tung Chee-hwa

A tough balancing act

Hong Kong's leader-in-waiting discusses his tricky agenda with John Ridding

It has been a tough passage for Mr Tung Chee-hwa, the shipping tycoon who has left his corporate fleet to become Hong Kong's first post-colonial leader. Even before he takes office in July, the former businessman has been confronted by diplomatic disputes and difficult political decisions.

Bridging the gap between China and Hong Kong was always going to be hard – a legacy of Sino-British rows over democratic reforms and civil liberties soon consumed the new leader. Then, the death last month of Deng Xiaoping, China's paramount leader, focused international attention on China and its handling of Hong Kong's transition, further raising the stakes for Mr Tung.

After early gaffes, including an outburst against Mr Martin Lee, leader of the Democratic party and a critic of China, Mr Tung has sharpened his political skills and bolstered his public support. He appears relaxed and confident. "The responsibility is enormous and imprecendented, but I am enjoying it," he says, outlining his priorities for the months ahead and his plans for post-colonial Hong Kong.

Neither, he says, are affected by Deng's demise. "One of his achievements was to organise the succession. China will move forward without missing a beat. There will be no impact on Hong Kong," he says, referring to Beijing's policy towards the territory.

That policy, devised by Deng, promises autonomy for Hong Kong and the preservation of its capitalist system. Mr Tung says his objective is to ensure the pledges are implemented and to reassure the sceptics. Beijing's plan to replace the existing legislature and to amend laws protecting civil liberties – proposals backed by Mr Tung – have prompted concerns in the US and Europe about Hong Kong's prospects



Tung: 'I think I have the trust of the Beijing leadership'

and whether China understands how it works.

The message that Mr Tung will seek to deliver at home, and possibly during a proposed trip to the US, is that Hong Kong's confidence remains robust. China has a vested interest in a successful transition, he says, partly because the territory is the dynamo for its own economy. His meetings with Beijing's leaders have assured him they understand what makes Hong Kong tick.

As the territory's point man in its dealings with China, Mr Tung's initial priority after his selection in December was to build a relationship with Beijing. And in that, he claims success. "There are very good lines of communication with the central government. I think I have the trust of the leadership."

As evidence, he points to the endorsement last month of his decision to retain all top policy officials. The move helped ease concerns in Hong Kong after the civil liberties row and underpinned a recovery in his popularity. A survey in the Apple Daily newspaper last week gave him an approval rating of 68 per cent.

Critics charge that Mr Tung's support for legal amendments which require police permission for demonstrations shows he is out of touch with public opinion. "He is just a chess piece,"

says one pro-democracy legislator. Supporters disagree. Mr Allen Lee, leader of the pro-business Liberal party, who has known him for 20 years, describes him as a man of conviction.

Outlining his political views and his plans for Hong Kong, Mr Tung does not give the impression of a yes-man. But, like many of the territory's tycoons, he comes across as deeply conservative. "In the past five years we have become too politicised as a community. We could have done a lot more through strong, executive-led government." His stance on demonstrations, he says, reflects a desire to strike a balance between individual rights and social obligations. He stresses the importance of Chinese values, including patience and persistence, and the need for order and stability.

That all sounds rather Singaporean. But, in spite of his admiration for Mr Lee Kuan Yew, the city state's patriarch, and notwithstanding Mr Tung's conviction that business is best served by stability, the Hong Kong tycoon plays down the parallels. "So far as economics are concerned, we follow the line, by and large, of non-intervention. Singapore tends to be more structured and planned. I think we will keep what makes us successful." Mr Tung reserves the right to "tinker at the edges"

of economic management but such comments ease concerns of a shift to the free-market politics behind Hong Kong's economic success.

He also seeks to reassess on the more immediate controversies surrounding civil liberties and political reforms. While insisting tighter controls over demonstrations and amendments to the bill of rights do undermine civil liberties, Tung has moved to defuse the row. He has promised public consultation: new laws are drafted, he will "listen carefully" to reaction, believes the issue has been blown out of proportion. cities in Canada, the US the UK you need police mission, he says with a flash of frustration.

Where is the roll-back civil liberties? I don't see. Concerning the provisional legislature, which replace the existing legislative council in July, Mr Tung promises to let its tenure as short as possible. A new body should place in the first half of 1998, he says, and the Democratic party is welcome to participate in elections.

Rules for electing the body are just one of the issues piled on Tung's desk. He must form the commission which appoints the territorial judges and oversees the drafting of laws on subversion. That poses a serious of his political skills. Fears that Hong Kong could provide a base for dissent, Chinese officials have signalled a tough line regarding claims of the mainland government and the definition of sedition. Mr Tung faces daunting task in reconciling Chinese concerns with expectations.

Supporters stress Tung's ability to build consensus. "People complain is conservative, but there are a lot of people in Hong Kong," says one politician. "Although he has a steep learning curve, I think he will explain himself and striking a balance," he says. The challenges Mr Tung has already faced demonstrate, that balance can be hard to find.

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Sibelius rediscovered

Andrew Clark talks to a conductor who is transforming our understanding of music

When Osmo Vänskä began to study the little-known original version of Sibelius's Fifth Symphony, some of his Finnish colleagues told him the music was rubbish. But the recording he made with the Lahti Symphony Orchestra, part of a complete Sibelius edition on the BIS label, has been internationally hailed as a revelation.

Conductors who transform our understanding of music are few and far between, but Vänskä is one of them. He is currently spearheading "The Sibelius Experience" - a series of six concerts by the BBC Scottish Symphony Orchestra, of which he became chief conductor last summer. In the first two concerts, Vänskä has proved himself a master of orchestral drama. He gives Sibelius an unsentimental, anti-Romantic edge, with crisp attacks and abrupt fades; the music sounds tense, severe and fiercely expressive, with as much power to chill as to warm.

The third concert, embracing the Third and Fourth Symphonies, takes place tomorrow night at Glasgow's City Hall. On April

16, Vänskä will explore the differences between the first and final versions of the Fifth Symphony, and on May 1 he conducts the UK premiere of *The Wood Nymph*, a tone poem ignored for nearly 100 years until Vänskä discovered it. The BBC will broadcast all six concerts between May 4 and 11, when Sibelius is Radio 3's Composer of the Week.

Sibelius is no newcomer to Scotland. Between the wars, one of his leading champions in the UK was Ian Whyte, founder of the BBC SSO. After the war, in his 25 years with the Scottish National Orchestra, Sir Alexander Gibson regularly conducted and recorded Sibelius. So Vänskä's interpretations are being judged in the context of a tradition. And as with that pioneering recording of the original version of the Fifth, he is forcing the music world to sit up and listen.

Vänskä, 44, is one of a generation of Finnish musicians cutting a high international profile - the result, he believes, of the value his country places on music education. He spent his early career playing clarinet in the Helsinki Philharmonic, and has been

chief conductor in Lahti, 70 miles north of Helsinki, for 11 years. Although happy to conduct Sibelius as an overseas calling card, Vänskä does not regard himself as a specialist. He adopts the same single-minded approach to Beethoven's Fifth Symphony (which he conducted at last year's Proms) as he does to the music of James MacMillan or Kalevi Aho.

Nevertheless, he has had more access to Sibelius manuscripts than most conductors, and more time to experiment with alternative modes of expression and interpretation - thanks to his close relationship with BIS and the disciplined work ethic of his orchestra in Lahti. In a programme article for "The Sibelius Experience", Vänskä argues that each generation needs to find new dimensions in the music it has inherited. "A mere reproduction of ready-made solutions is artistically stultifying, ultimately consigning the performing arts to the museum."

Vänskä is as direct and down-to-earth in person as he is in print. He says the Sibelius

performance tradition is so overpowering that it has discouraged close examination of the composer's markings. Vänskä's conversion to a more critical standpoint began when he studied the tempo indications for the original four-movement version of the Fifth Symphony.

"Previously, whenever I had been doing the standard three-movement version, the marking *un pochettino largamente* towards the end had ever seemed to me to be correct. It is usually played much slower, as if it was *molto largamente*. But when I studied the original version, and saw how Sibelius came a longer, different way to the same point, the construction became much clearer. It may seem a small detail, but for me it was a sort of 'Eureka', because it affected the whole dynamism of the piece. It gave more power later, not so much earlier."

The only reason Vänskä began exploring the composer's manuscripts was that there were no published scores for some of the little-known works he was recording. In the process he uncovered numerous copyist's errors; he also found that the printed scores fudged some of

the composer's markings. He says his interest in the manuscripts lay not so much in the detail, more in the bigger picture they created of Sibelius's intentions. "What I'm looking for is a natural way to understand how he wrote what he did, why he wrote it that way, and have some questions answered. I'm not a theoretical person. I don't want to spend my time in the library. Music for me is the way it sounds."

Vänskä's tempos can sound radically different to other conductors, but he has convincing explanations for every decision. In the First Symphony, for example, he takes the first movement's *allegro energico* at face value, because he believes it represents the explosive vision of a young man - not the wise old master familiar to posterity. And he makes the Sixth Symphony sound faster because he follows the same basic tempo throughout the first and last movements. "There's no speeding up or slowing down in the score - the pulse is written to from the first bar. Sibelius set his tempos very accurately, but being a modest man, he wasn't bold enough to argue with the opinions of other



Osmo Vänskä: forcing the music world to sit up and listen

musicians. And so a tradition developed." But even Vänskä is prepared to break his own rules. "I try to find out what the great master has written, but still there must be areas of freedom. The point is: how to make

the music breathe and speak to an audience. It doesn't help if we are following exactly what the score says and the music is dead. I don't want to be a pharisee! It's the life behind the notes that we're looking for."



Shifting relationships: Adam Garcia and Tam Williams as the young Al and Birdy

Playwright Naomi Wallace has already tangled in her work with the thorny subject of male friendship and the difficult passage from adolescence to manhood, so perhaps she was ideally placed to adapt William Wharton's *Birdy* for stage.

She has certainly come up with a wonderful adaptation that is full of humour and tenderness, but that also opens the novel out and makes it work in stage terms. Add to this Kevin Knight's beautifully acted production and you have a piece of theatre that brings Wharton's novel blazingly alive.

Wharton's stream-of-consciousness novel begins in a Kentucky army hospital after the war, where Al, a sergeant, has been summoned to attempt to reach his deeply disturbed childhood friend, "Birdy", his friend, is crouched in a cell, refusing to eat or speak, apparently so distressed by his wartime experiences that he believes himself to be a bird. The novel weaves back and

Theatre/Sarah Hemming

Birdy takes flight

forth in time, to gradually shade in a picture of Al and Birdy as boys. Birdy was so named, we learn, because of his collection of pigeons and his fascination in their behaviour - a fascination that became obsession as he and Al struggle to hold their own in their deprived and rather brutal surroundings.

One major problem for the adaptor is the fact that flight as a metaphor for freedom seems somewhat hackneyed. The image of young Birdy strapping on his wings in a bid to emulate his feathered companions could simply look absurd, yet Wallace presents his fragile state of mind with such integrity that it never seems so here.

A further hurdle is the novel's roving style, but Wallace makes this work for her by presenting the double journey of the book in

tandem using two actors for each character: so we have the boys' descent into manhood cut scene by scene into the men's painful progress back towards their childhood closeness.

We begin by thinking that it is the war that has damaged them, but gradually realise that conflict has only been the final shocking twist in a process that started much earlier. Wharton is distressed about the dehumanising effect of war, but he is also concerned about the bruising impact of learning to conform to standard male behaviour. We see the two boys start to part company. While Al does press-ups and invites Birdy to punch his iron-hard stomach, Birdy starves himself to reach flying weight, and when Al talks

to Birdy of "making it" with a girl after the school prom, Birdy regards him as if he had proposed exhuming a body.

The shifting relationships between the two boys and the two men are beautifully realised in Knight's production, which is carried along by excellent, unflashy performances. Adam Garcia's fresh-faced, ebullient young Al offers a striking contrast to Roh Morrow's guarded, defensive adult Al. Matthew Wait is believably strange as the older Birdy. But perhaps the best performance comes from Tam Williams as the young Birdy - volatile, intense and most touching. There are a few too many revolutions on Kevin Knight's whirling set, which, while it cleverly mirrors the play - adults trapped below, boys roaming free above - slides up and down and around to giddy effect. But that aside, this is a strikingly simple and affecting telling of the story.

Comedy Theatre, London SW1 (0171-369 1731).

Sponsorship

All the way to the bank

and Wales at a cost to Barclays of £185,000.

NatWest has cut down its arts spending in recent years, mainly because its separate divisions are now permitted to make sponsorship decisions, but it still reckons to commit around £1m a year. It picked up the RSC small venues tour from BT, but its main commitment is the NatWest Arts prize. The winner gets £25,000, making it the UK's largest painting award, and big enough to attract over 700 entries this year. The winners will be shown in May at the Lothbury Gallery, NatWest's former banking hall in the City which has recently opened as a free public gallery. It is currently showing works from the NatWest's collection of modern art.

Midland, now part of the HSBC, will continue with its Covent Garden From season in 1997 - for the 26th year - even though the performances will be at the Royal Albert Hall while the Royal Opera House is refurbished. It will also be sponsoring another anti-racism project, following the tremendous success of the award winning *Kicking Out* play about football.

There is also a big popular culture commitment planned, which will sit easily alongside the Midland's part funding of the ITV Drama Premieres. Last year it spent £2m boosting such productions as *Emma* and *Rebecca*, as well as *Morse* and *Sharpe*. It has signed up again, for £2.4m, and, along with the popular dramas, will help bring to the screen Hardy's *Far from the Madding Crowd* and Stevenson's *Ebb Tide*.

There is no doubting the most popular art form for sponsors - art shows in smart galleries. They convey prestige, rarely frighten the horses, and are per-

fect for corporate hospitality.

Last week the National Gallery enabled Sir Denis Mahon, and the public, to see his unrivalled collection of Italian baroque paintings of the 17th century displayed together for the first time in a grand setting. The unsung sponsor is Guinness Mahon. Sir Denis is a great-nephew of the founding Mahon and the private bank, now owned by the Bank of Yokohama, traditionally supports his connoisseurship. It is hosting three parties for clients and prospective clients, and investing under £100,000 in the venture.

On Tuesday the NG opens another exhibition, *London's Monets*. Twenty-five paintings by the artist, scattered around London, are here drawn together, thanks to Merrill Lynch. It is putting up around £50,000, with much of the money going towards an advertising campaign. Also just opened is one of the Tate's re-interpreted shows on Turner, thanks to funding by Magnox Electric. And coming up in October at the National Portrait Gallery after a showing at the Royal Scottish Academy in Edinburgh is *Rebelle*, a major display of 70 works by the Scottish portrait painter, underwritten by Elf Exploration UK.

Air Products, manufacturers of gas and helium, is not a large or consistent sponsor of the arts but it recognised an opportunity when it arose. It responded quickly to an approach from Oxygen 107.9 FM, the Oxford based student radio station which was the first of its kind to receive a full ILL licence. For its opening on February 14 Air Products contributed £10,000 in promotional support and offered free advertising on the station to local companies, which proved its most successful mail shot to date. It may now continue the sponsorship.

By coincidence market leader in the industry, BOC, has just announced that it is to continue with its sponsorship of the Covent Garden Festival, worth £600,000 over the next three years. This year's festival, which opens on May 26, includes the European premiere of the long running cult show from San Francisco, *Beach Blanket Babylon*.

Antony Thorncroft

INTERNATIONAL ARTS GUIDE

AMSTERDAM

CONCERT
Concertgebouw Tel: 31-20-6718345
● Nederlandse Kammerorkest: with conductor Hartmut Haenchen and violinist Piotr Plawner perform works by Mozart; Mar 9

EXHIBITION
De Nieuwe Kerk Tel: 31-20-6268168
● Catharina, the Empress and the Arts: exhibition featuring nineteenth old master paintings from the collection of the Russian Czarina Catharina the Great (1728-1796), including works by Titian, Bortolone, Rubens, Hals, Jordans and Rembrandt; to Apr 13

BERLIN
CONCERT
Philharmonie Berlin - Grosser Saal & Kammermusiksaal Tel: 49-30-2614383
● Berliner Philharmonisches Orchester: with conductor

Wolfgang Sawallisch perform works by Mozart and R. Strauss; Mar 11, 12, 13

BONN
OPERA
Oper der Stadt Bonn Tel: 49-228-7251
● Sargon et Dalila: by Saint-Saëns. Conducted by Marc Soustrot, performed by the Orchester der Beethovenhalle Bonn and the Oper der Stadt Bonn. Soloists include Lucia Naviglio, Alexei Steblienko and Anoushah Golestanki; Mar 8

COLOGNE
CONCERT
Köln Philharmonie Tel: 49-221-2040820
● Deutsche Kammerphilharmonie Bremen: with conductor Thomas Hangelbrock and soprano Lynne Dawson perform works by Rameau, Ravel and Cantelouba; Mar 9

COPENHAGEN
DANCE
Det Kongelige Teater - The Royal Theatre Tel: 45-33 69 69 69
● La Conservatoire or A Newspaper Courtship: choreographed by August Boumornilla to music by Paull, performed by the Royal Danish Ballet; Mar 10

DUSSELDORF
EXHIBITION
Kunsttheater Düsseldorf Tel:

49-211-8996240
● Michael Wrubel - Der russische Symbolist: retrospective exhibition devoted to the work of the Russian Symbolist artist Michael Wrubel (1856-1910); to Apr 13

HAMBURG
EXHIBITION
Museum für Kunst und Gewerbe Tel: 49-40-24862732
● Das Geheimnis der Mumien - Ewiges Leben am Nil: exhibition focusing on Egyptian mummies, their role and preparation, and the ways in which they were a source of inspiration to - and sought after by - Europeans from the 17th century onwards. The exhibition also shows how modern research techniques are used to look at the inside of a mummy without destroying the linen wrapping; to Apr 20

LAUSANNE
EXHIBITION
Fondation de l'Hermitage Tel: 41-21-3205001
● Du Greco à Mondrian: exhibition of the private collection of Rolf and Margit Weinberg, consisting of 80 paintings, drawings and objects. On display are works by artists including Toulouse-Lautrec, Seurat, Degas, Cézanne, Gauguin and Picasso; to Apr 27

LOS ANGELES
EXHIBITION
Los Angeles County Museum of Art Tel: 1-213-857-8000
● Ediles and Emigrés:

1933-1945: exhibition focusing on the work of 23 painters, sculptors, photographers and architects in exile during the twelve years of Nazi rule. It includes works by Kandinsky, Ernst, Chagall, Gropius and van der Rohe; to May 11

MADRID
CONCERT
Teatro Albeniz
● El Yunque, Chano Lobato, Rancapino and El Pele: performance by the flamenco singers, accompanied by pianist Arturo Pávan. Part of the 1997 Festival Flamenco; Mar 8

EXHIBITION
Palacio de Velázquez Tel: 34-1-573-62-45
● Rachel Whiteread: exhibition of work by the British sculptor and winner of 1993's Turner Prize. Featured works include 'Ghost', 'Room' and '100 Spaces'; to Apr 21

MILAN
CONCERT
Teatro alla Scala di Milano Tel: 39-2-85791
● Marco Rizzo and Alessandro Maffei: the violinist and pianist perform works by Mendelssohn, Stravinsky, Schubert and Brahms; Mar 10

NEW YORK
CONCERT
Alice Tully Hall Tel: 1-212-675-5050
● The Chamber Music Society of

Lincoln Center: with conductor David Shifrin, flutist Ransom Wilson and violinist Ani Kavafian perform works by Schumann and Mendelssohn; Mar 9, 11

OPERA
Metropolitan Opera House Tel: 1-212-362-6000
● Aida: by Verdi. Conducted by Charles Mackerras, performed by the Metropolitan Opera. Soloists include Sharon Sweet, Dolora Zajick and Michael Sylvester; Mar 10

PARIS
CONCERT
Théâtre des Champs-Élysées Tel: 33-1 49 52 50 50
● Jean-Philippe Collard: the pianist performs works by Ravel and Scriabin; Mar 9

OPERA
L'Opéra de Paris Bastille Tel: 33-1 44 73 13 99
● Carmen: by Bizet. Conducted by Gary Bertini, performed by the Orchestre et Choeurs de l'Opéra National de Paris. Soloists include Franck Ferrari, LeRoy Villanueva and Peter Coleman-Wright; Mar 11

STOCKHOLM
EXHIBITION
Moderna Museet - Museum of Modern Art Tel: 46-8-6664250
● Picasso and the Mediterranean: exhibition examining the influence of Classical Greek visual arts and mythology on Picasso's work. Comprising approximately 200

works by the artist, dating from 1906-1960, the exhibition includes paintings, sculptures, graphic works and ceramics. There are also Cycladic, Mycenaean, archaic Greek, classical Greek, Iberian, Etruscan and Greco-Roman works displayed; to May 18

STRASBOURG
CONCERT
Théâtre Municipal de Strasbourg - Opéra du Rhin Tel: 33-388 75 48 00
● Les Fêtes d'Hébé: by Rameau. Conducted by William Christie and performed by Les Arts Florissants. Soloists include Maryseult Wiczorek, Sophie Denerman, Paul Agnew and Jean-Paul Fouchécourt; Mar 10

TEL AVIV
OPERA
The Opera House Tel: 972-3-6927777
● Cavalleria Rusticana: by Mascagni. Conducted by Bertrand da Billy, performed by the New Israeli Opera. Soloists include Vladimir Braun, Ute Trekel Burckhardt and Jon Frederick West. The programme also includes a performance of 'Il Pagliaccio' by Leoncavallo; Mar 7, 8, 10, 11

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FINANCIAL TIMES

Friday March 7 1997

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Financial deregulation could start next year

Japan may bring 'big bang' forward

By William Dawkins in Tokyo

Japan's ruling Liberal Democratic party is drafting proposals for most of the "big bang" deregulation of the Tokyo financial markets to be completed by next year, rather than gradually by 2001 as planned.

Financial analysts in Tokyo say the faster timetable is unrealistic but that it confirms the abolition of barriers between banking, stockbroking and insurance companies, and the end of fixed commissions on all kinds of financial transactions has won wide political backing.

However, the finance ministry, which stands to lose much of its influence under the reforms, would only have to request further discussion to create enough delay to restore the original deadline.

The draft, by the party's influential administrative reform panel, is still under discussion for completion just before the government finalises its financial deregulation plans by the end of the month.

The big bang programme was launched by Mr Ryutaro Hashimoto, prime minister and president of the LDP last November, with the apparent support of a formerly reluctant

Japan's largest stockbroker Nomura Securities has admitted "apparently irregular" payments to a corporate investment client, though it declined to give details of the customer.

However, a report on the national television network NHK alleged the client was a property development company run by a relative of the head of a gang of corporate extortionists. Mr Hideo Sakamaki, Nomura's president, could now face pressure to resign.

finance ministry. Loosely modelled on the UK's 1986 financial big bang, it aims to boost the sophistication and size of Tokyo's financial markets to the level of London and New York.

But the level of support for the issue from Mr Hashimoto's own party has not been clear. "The significance of this is that the LDP wishes to associate itself with something that is going to happen anyway and take credit for it," said Mr David Threadgold, financial analyst at BZW in Tokyo.

The proposals call for full liberalisation of commission on securities transactions from April 1998, a year earlier than the finance ministry had planned. Professional barriers between different classes of financial business would be eliminated during the fiscal year starting April 1998.

The draft also urges an end to securities transaction taxes - long sought by stockbrokers but opposed by the finance

ministry - from the start of the same fiscal year and proposes allowing banks to sell investment trusts over the counter.

It suggests new securities companies should have to register with the authorities from early next financial year - rather than obtain a licence as now - and proposes the introduction of individual stock options, currently banned in Japan.

It also suggests one step towards resolving the financial strains on the pension system. The system is currently unable to earn enough investment income to cover future liabilities, which have been swollen by the ageing population.

The draft proposes that corporate pension funds should be permitted to offer new contributions plans. From 1999, under which individual's pension benefits would be linked to contributions and investment performance, rather than fixed as now.

Wal-Mart officials lose sleep over Cuban pyjamas

By Bernard Simon in Toronto

A pair of cheap, polyester-cotton men's pyjamas has triggered the first clash between a US company and a foreign government over the enforcement of US sanctions against Cuba by third countries.

An observant shopper in Winnipeg, Canada's prairie grain centre, noticed that a branch of Wal-Mart, the big Arkansas-based discount retailer, was selling pyjamas made in Cuba, apparently in contravention of the long-standing US trade embargo against Havana.

No sooner had the shopper complained to a TV station than Wal-Mart rushed to pull the \$12.98 (\$8.40) long-sleeved pyjamas from all its 135 outlets across Canada. "We removed them while we looked into the matter," Wal-Mart said yesterday.

But withdrawing the pyjamas may give Wal-Mart officials more sleepless nights than stocking them.

Canada's foreign affairs department has referred Wal-Mart's action to the justice department for a decision whether to prosecute. "It's very simple," a foreign affairs official said. "We expect Canadian companies to respect Canadian law."

The US group, which is the world's biggest retailer, may have acted too hastily.

The Helms-Burton law, passed by the US Congress last year, seeks to punish foreign companies and individuals "trafficking" in former US property in Cuba confiscated by the Castro government.

But the law's extra-territorial provisions apply only to companies using property and equipment in Cuba claimed by US nationals.

Unless the pyjamas were made in an expropriated factory, Wal-Mart stores in Canada appear to be breaking neither US nor Canadian law by stocking them.

Amendments to Canada's Foreign Extraterritorial Measures Act came into force in January in response to Helms-Burton.

Under these, Canadian companies (including foreign subsidiaries) are barred from complying with US laws that seek to enforce sanctions against Cuba.

Penalties include a jail term and fines of up to C\$1.5m.

The European Union recently called for a World Trade Organisation disciplinary panel to investigate Helms-Burton, but the US has so far refused to co-operate.

Canada has threatened to convene a dispute settlement panel under the North American free trade agreement.

THE LEX COLUMN

Japan's big bung

News that Nomura Securities appears to have been making illegal payments to a group of corporate racketeers comes at an awkward time for Japan. The government is in the midst of an ambitious reform programme to turn Tokyo into a competitive financial centre. Only yesterday, the ruling Liberal Democrats suggested bringing forward many of these reforms - such as the abolition of fixed stockbroking commissions and removing barriers between banks, insurers and securities houses - from 2001 to 1998. That may turn out to be unrealistic, since the influential finance ministry is likely to drag its heels. But, coupled with moves to give more independence to the Bank of Japan, it shows the reforms are gaining broad political support.

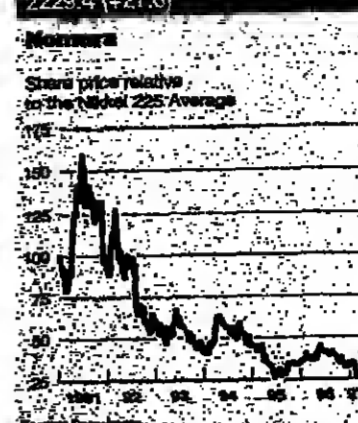
This will not do much good, however, if public confidence in the financial system keeps on being undermined. This is the second time in six years that Nomura, Japan's largest stockbroker, has been linked with *sohazaya* - consensual bribes from companies in return for not disrupting annual meetings or embarrassing executives. Such scandals, on top of the hangover from the bubble years, explain why only 3 per cent of Japan's ¥1200bn of personal savings are invested in shares. Japan must stamp out these dubious practices and attract retail funds into equities if it wants to revive the stock market and start to tackle its horrendous pension problem.

GEC-Alsthom

Framatome's privatisation may not be as prominent as Thomson-CSF's, but French pride stands in the way of a rational solution for the nuclear power engineering group just as much. The ideal goal, on which all parties are agreed, is to merge Framatome with GEC-Alsthom, the conventional power engineering and transport group jointly owned by Britain's GEC and France's Alcatel Alsthom. The snag is that the government is insisting that French interests continue to control Framatome after a merger, but GEC understandably does not want to be reduced to a minority.

The puzzle looks insoluble, as long as one thinks of GEC-Alsthom as an indivisible entity. But what about splitting GEC-Alsthom into its component parts? Its power generation and transmission divisions could be given to Alcatel and

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again in 1998. Management's optimism on this count is heartening and recently-launched migraine, Aids and asthma drugs are all performing well. The group also has a promising pipeline with treatments for diabetes, hepatitis and flu. In 1998, therefore, Glaxo could be looking attractive indeed. By contrast, several US rivals, Astra and SmithKline Beecham will all be facing looming patent expiries. Meanwhile, its shares are 20-30 per cent cheaper than those of its peers. And investors should bear in mind that a drug group's stock tends to underperform in the run-up to a big patent problem, only to outperform once it hits.

BTR

No news is good news at BTR hence the 3 per cent rise in its shares on the announcement of yesterday's profit figures. But underneath the profit declines and management caution, there is evidence that one of Britain's notable recent corporate casualties may be on the mend. A year into his job as chief executive, Mr Ian Strachan has brought new blood to what has been a disturbingly inbred board. He has cut the dividend to a level where the group can generate more than enough cash to fund a major aggressive capital investment programme. And he has weeded out several less attractive businesses.

The benefits from these moves remain distant. But given the amount of restructuring provision BTR took last year, delivering growth in 1997 ought not to be too challenging. After all, last year performance was held back by problems with a new US automotive facility, strikes in Australia and the impact of poorly-performing acquisitions. Moreover, the rate of sale growth from continuing businesses has picked up to 7 per cent - very important for a group trying to move away from the mantra of enhancing margins at any cost.

Problems remain, such as its South African tyre business, as there are clearly many weak businesses still to be sold. But BTR shares are trading at a 25 per cent discount to the market's prospective price/earnings ratio. Will expectations this low, it is hard to imagine that the recent restructuring cannot deliver some pleasant surprises.

See additional Lex comment on Ladbroke, Page 1

Glaxo Wellcome

Glaxo Wellcome has gone into the forecasting business. The drug group's management yesterday predicted a worst-case scenario of two years of flat earnings, followed by a return to double digit sales growth and "significant" earnings increases from 1999.

The first part of the message is no surprise. US patent expiries on Zantac and Zovirax, two of its biggest medicines, will cost the group the best part of £1.5bn of sales - 15 per cent of group turnover - over the next 18 months. Coupled with a 2 per cent decline in margins as spending rises on product launches, it will be lucky to maintain profits. There is a small chance that a favourable court ruling on the Zantac patent could help to slow down the start of full competition. But investors should not bet on it.

The bigger question is how rapidly Glaxo will accelerate away

Yeltsin in fighting comeback

Continued from Page 1

reshuffle which Moscow rumours suggest will bring Mr Anatoly Chubais, the controversial Kremlin chief of staff, back into ministerial office.

Officials have been hinting that Mr Chubais - an administrative dynamo who spearheaded Russia's most privatisation - would be named sole first deputy prime minister in charge of economic issues, with his proteges put in charge of the key economic ministries. This would, in effect, make Mr Chubais Russia's economic tsar, with more direct influence over economic policies than even Mr Victor Chernomyrdin, the prime minister.

At a cabinet meeting, the premier tried to defend his government's performance, pointing out that in January the country's gross domestic product had risen slightly for the first time in a decade.

Giving Mr Chubais a top cabinet position would delight western observers but could alienate Russia's communist opposition and much of the populace, which blames him for the hardships of the transition to a market economy.

EU fails to move on 'millennium bomb'

By Alan Cane in London and Emma Tucker in Brussels

Britain yesterday failed to stir its European partners into immediate action over the "millennium bomb", the inability of many computer systems to cope with the date change at the end of the century.

Addressing the European Union Telecommunications Council, Mr Ian Taylor, UK science and technology minister, raised for the third time in a year the dangers to business and society posed by the bomb which will affect computers old and new.

But while Mr Martin Bangemann, EU industry and telecommunications commissioner who chaired the meeting, said he accepted the gravity of the issue, members of the council showed only lukewarm interest. "You could deduce that nobody else sees it as a problem," a council official said.

Mr Taylor has taken a lead in attempting to stimulate interest in the problem, which could cause a wide range of systems from hospital equipment to supertankers to malfunction after 2000. He wrote to Mr Bangemann warning

that if European companies failed to deal with the bomb, normal commercial communications could collapse.

He wrote: "These include simple invoicing, the delivery of components to manufacturing industry and, equally important, the increasing number of financial and commercial transactions carried out by electronic data interchange which the Commission has done much to support."

The UK minister also raised the threat to the free movement of goods and services if governments which have ensured their systems are millennium-compliant refused to deal with faulty systems.

The issue has been pushed to the fore this week with the realisation that the bomb affects not only old computers but also new systems and personal computers.

US companies are taking the issue seriously with more than a third already taking steps to correct faulty systems. Large companies in the UK such as Shell and British Telecom communications are well advanced with correction programmes but few companies in mainland Europe have started to deal with the problem.

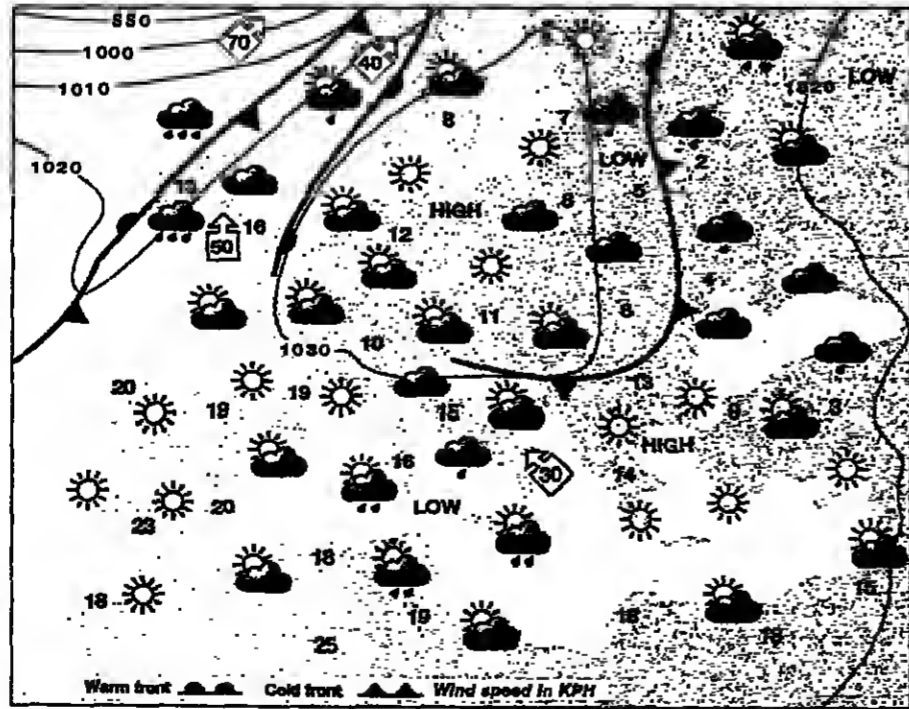
FT WEATHER GUIDE

Europe today

Western Europe will be mostly sunny, except for southern France and parts of the Benelux. Northern parts of the UK will have rain, but winds will decrease. England will be mainly sunny during the day. Cloud, which produced snow in the northern Alps, will clear gradually, making way for sunshine in northern Germany and southern Scandinavia. Italy will have scattered showers, especially in the south. A cold front across eastern Europe will cause showers around the Black Sea and some snow in Russia. The Baltic region and the eastern Mediterranean will be sunny and dry.

Five-day forecast

With high pressure continuing, Europe will be mainly dry. Disturbances will be confined to Scandinavia and the Mediterranean. Western Europe will generally be milder with a widespread thaw in the Alps. Eastern Europe will turn milder as well.



Situation at 12 GMT. Temperatures maximum for day. Forecasts by Meteo Consult of the Netherlands

TODAY'S TEMPERATURES

Abu Dhabi	sun 30	fair 32	Algeria	sun 18	fair 22	Amsterdam	sun 12	fair 14	Atlanta	sun 18	fair 22	B. Aires	sun 27	fair 14	Bangkok	sun 37	fair 16	Barcelona	sun 18	fair 16	Beijing	sun 11	fair 12	Bombay	sun 30	fair 32	Buenos Aires	sun 18	fair 22	Calcutta	sun 30	fair 32	Cairo	sun 30	fair 32	Cardiff	sun 12	fair 14	Cebu	sun 30	fair 32	Chengdu	sun 18	fair 22	Chicago	sun 10	fair 14	Cologne	sun 12	fair 14	Dakar	sun 22	fair 26	Dallas	sun 22	fair 26	Delft	sun 13	fair 17	Dubai	sun 30	fair 32	Dublin	sun 10	fair 14	Edinburgh	sun 10	fair 14	Frankfurt	sun 12	fair 14	Geneva	sun 12	fair 14	Glasgow	sun 12	fair 14	Hamburg	sun 12	fair 14	Helsinki	sun 10	fair 14	Hong Kong	sun 28	fair 32	Honolulu	sun 28	fair 32	Istanbul	sun 18	fair 22	Jakarta	sun 30	fair 32	Jersey	sun 12	fair 14	Karachi	sun 30	fair 32	Kuala Lumpur	sun 30	fair 32	Las Vegas	sun 30	fair 32	Lima	sun 30	fair 32	Lisbon	sun 22	fair 26	London	sun 12	fair 14	Luxembourg	sun 12	fair 14	Lyon	sun 10	fair 14	Madrid	sun 12	fair 14	Manila	sun 28	fair 32	Manchester	sun 12	fair 14	Melbourne	sun 12	fair 14	Mexico City	sun 28	fair 32	Miami	sun 28	fair 32	Moscow	sun 10	fair 14	Munich	sun 12	fair 14	Nairobi	sun 30	fair 32	Nagasaki	sun 22	fair 26	Nassau	sun 22	fair 26	New York	sun 30	fair 32	Nice	sun 22	fair 26	Niagara	sun 22	fair 26	Osaka	sun 18	fair 22	Paris	sun 12	fair 14	Perth	sun 10	fair 14	Prague	sun 10	fair 14	Pangoon	sun 28	fair 32	Reykjavik	sun 10	fair 14	Rome	sun 18	fair 22	S. Francisco	sun 18	fair 22	Seoul	sun 18	fair 22	Singapore	sun 30	fair 32	Stockholm	sun 10	fair 14	Strasbourg	sun 12	fair 14	Sydney	sun 22	fair 26	Taipei	sun 28	fair 32	Tel Aviv	sun 28	fair 32	Tokyo	sun 18	fair 22	Toronto	sun 10	fair 14	Vancouver	sun 10	fair 14	Venice	sun 18	fair 22	Vienna	sun 12	fair 14	Warsaw	sun 10	fair 14	Washington	sun 10	fair 14	Wellington	sun 10	fair 14	Winnipeg	sun 10	fair 14	Zurich	sun 10	fair 14
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Sole Financial Adviser
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February 1997

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COMPANIES AND FINANCE: UK

Glaxo warns An attempt to lessen dependence of earnings slowdown

Daniel Green considers the company's prospects as the patents on its main drugs expire

By Daniel Green

Glaxo Wellcome, the UK's largest drugs company, warned yesterday that earnings per share growth could be flat until 1999.

Sir Richard Sykes, chief executive, blamed competition expected after the expiry of US patents for two of the company's best-selling products, ulcer drug Zantac and herpes treatment Zovirax, this year.

But Sir Richard said earnings standstill was a "worst case scenario", assuming that patent litigation on Zantac's patents would go against the company.

And Mr John Coombe, finance director, said sales growth would recover sharply to "double-digit" percentage increases in 1999 and earnings growth would be substantial.

The increases would be delivered by new drugs such as Imigran for migraine and Aids drug Epiriv.

The growth forecasts were made as the company published its 1996 results. These showed pre-tax profits rose 18 per cent to £3.13bn.

On a pro-forma basis, sales rose just 6 per cent to £3.34bn, less than half the

growth rate of many of Glaxo's rivals.

Pro-forma trading profit rose 18 per cent to £3.13bn owing to a fall in research and development spending from £1.2bn to £1.16bn.

R&D as a percentage of sales, a measure often used to compare pharmaceutical companies, fell from 15.1 per cent to 13.9 per cent.

The company's net debt fell from £3.2bn to £1.98bn as a result of positive cash flow of £700m and a £500m net gain on its stake in a joint venture with US company Warner-Lambert.

Glaxo raised its full-year dividend from 30p to 34p, a 13 per cent increase.

Sir Richard said that Zantac sales fell as a result of competition even before the US patent expiry. Sales of gastro-intestinal drugs - almost entirely Zantac - fell 18 per cent to £1.95bn.

Sales in the company's second biggest category of respiratory drugs, mostly asthma drugs, rose 11 per cent to £1.76bn.

The star segment, nervous system drugs, increased sales by 47 per cent to £724m thanks to Imigran, a migraine drug whose sales rose 46 per cent to £538m; and "we're still reaching only 7 per cent of US migraine sufferers," said Sir Richard.

Aids drugs' sales more than doubled to £479m.

Lex, Page 16

It was a day of release and recovery for Glaxo Wellcome, the UK's biggest pharmaceutical company.

The shares took ill in the morning when the company published its 1996 results. The figures were at the low end of the range of analysts' forecasts and Sir Richard Sykes, chief executive, warned that there could be no earnings per share growth for two years.

The shares' health was not helped by Tuesday's report from North American researchers that inhaled steroids, the mainstay of Glaxo's asthma business, could cause eye problems. A warning from Goldman Sachs that sterling's strength would damage profits also hurt.

But by the end of the day, many analysts and investors had been reassured by Sir Richard's declaration that forecasts of low growth represented "a worst case scenario" and that profitability would recover sharply by late 1998.

The shares duly rose, more than making up the ground lost earlier.

Such volatility is natural in a year which will see the shape of Glaxo Wellcome's business change profoundly.

The company's two most important products, ulcer drug Zantac and herpes drug Zovirax, are set to lose patent protection in the US over the next few months.

Sir Richard said that Zantac sales in the US could fall by 80 per cent as new competitors are launched, and that "the Zovirax business will go very quickly".

The sums involved are

huge. Zantac sales in the US alone last year were more than £1bn, while Zovirax brought in £318m from the US. Between them, they accounted for 16 per cent of the £3.34bn turnover.

The company has, of course, known about the likely impact of the patent expirations for years. In Zantac's case, the strategy has been to reduce dependence on the drug: in 1990, Zantac accounted for almost half Glaxo's entire turnover; last year it was 23 per cent, thanks largely to the products acquired with Wellcome in 1995.

A second strategy has done less well. An "improved" Zantac called Pylorid (which includes a component that kills bacteria that contribute to

'Growth until 1999 will be flat, while the rest of the industry is growing quickly. A lot can happen before then'

ulcers) has had a slow start, with sales last year of only £15m. Glaxo says it hopes for better sales after presenting new results of clinical trials at a conference in May. The attempt to switch patients on to a newer product has fared better with Zovirax. Sales of super-Zovirax, called Valtrex, more than doubled to £41m last year.

Sir Richard said that in the worst case, Zantac and Zovirax sales would fall so

far that strong performances from the company's newer drugs would be masked.

The star new product is Imigran, the migraine treatment. A sales increase of almost 50 per cent in a product selling more than £500m a year is spectacular even for the drugs industry.

The ride will not continue smoothly: the first serious competition for Imigran is likely to emerge over the next year, although Glaxo itself has a follow-up drug in its pipeline.

By contrast, new drug rivals have rescued Glaxo's Aids drugs portfolio. Sales of AZT had stagnated for several years amid side-effect problems and a low success rate. A newer drug Epiriv, performed equivocally in clinical trials.

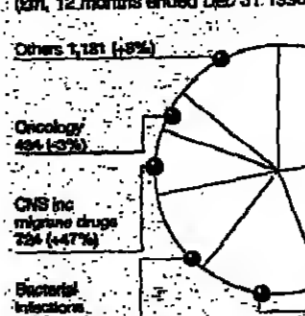
But the medical effectiveness of both has been dramatically improved by the launch of new Aids drugs called protease inhibitors from such companies as Merck and Abbott Laboratories in the US and Switzerland's Roche. Combinations of protease inhibitors with Glaxo's two drugs have been credited with leading to the first fall in US deaths from Aids, announced last week.

And Glaxo has two powerful weapons lined up for the next two years. One is its own protease inhibitor, and the other is a tablet that combines AZT and Epiriv, making it easier to take and helping protect it against competition.

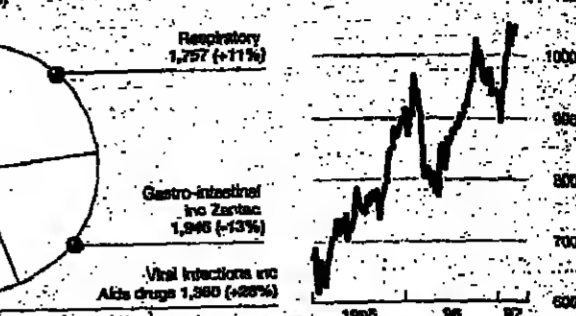
On top of that, Sir Richard insisted that asthma drug sales would not be affected by the reports of steroid risks. US doctors have been wary of steroids for many

Glaxo Wellcome: looking for the right prescription

Therapeutic categories (Qtr. 12 months ended Dec 31, 1996)



Share price (pence)



years because of potential side-effects, but the mood in the US medical profession is changing and steroid sales are growing.

The prospects for the Aids, asthma and migraine drugs tempted several analysts to view yesterday's announcements positively.

Mr Steve Pugh, pharmaceutical analyst at BZW, said that when the declines in Zantac and Zovirax dropped out of the year-on-year com-

parisons in 1999, growth would be "double-digit" percentage points with no significant further patent expirations for many years.

This echoes the view of Mr John Coombe, Glaxo's finance director, who is pinning his faith on Imigran and Epiriv.

Mr Mark Tracey of Goldman Sachs pointed to the shares' yield of more than 4 per cent and added that US investors were likely to buy

Glaxo, as the prospect improved nearer 1999. The US shareholding had fallen to 9.5 per cent compared with a peak in April 1992 of 28 per cent.

But a third analyst cautioned against uncritical acceptance of management optimism. "Forecasting the far out is risky. Growth until 1999 will be flat, while the rest of the industry is growing quickly. A lot can happen between now and 1999."

- OPERATING PROFIT FROM ONGOING OPERATIONS £242m
- EXCEPTIONAL CHARGES OF £248m AGAINST OPERATIONS TO BE DISCONTINUED
- NET CASH BALANCES £284m (1995: £314m)
- STRONG ORDER BOOK, AT £7.0bn (1995: £6.2bn)
- SALES PER EMPLOYEE UP BY 20%
- DIVIDEND 5.3p (1995: 5.0p)

SIR RALPH ROBINS,
Chairman, said:

"We have continued to improve our underlying financial performance and to focus upon those businesses where we have established or can establish leading market positions."

"We are confident that the actions we have taken and the strategies we are pursuing leave us well positioned to build a strong future."

GROUP PROFIT AND LOSS ACCOUNT		
For the year ended December 31	1996 £m	1995 £m
Turnover - ongoing operations	4,045	3,342
- operations to be discontinued	246	255
Total	4,291	3,597
Operating (loss)/profit		
- ongoing operations	242	178
- operations to be discontinued	(116)	(23)
Total	126	155
(Loss)/Profit before tax	(28)	175
Taxation	(16)	(31)
Minority interests	(3)	(2)
(Loss)/Profit attributable to shareholders	(47)	142
Dividends	(78)	(73)
Transferred (from)/to reserves	(125)	69
(Loss)/Earnings per share		
- net basis	(3.19)p	10.25p
- before exceptional and non-operating items	12.70p	7.94p

GROUP BALANCE SHEET & CASH FLOW		
At December 31	1996 £m	1995 £m
Net cash balances	284	314
Equity shareholders' funds	1,303	1,345

In July 1996 the directors made the strategic decision to withdraw from large steam power generation. An exceptional loss of £248m is included within the total loss of £263m in respect of businesses to be discontinued.

Profit before taxation for 1995 included profit on sale of businesses and property of £32m.

The recommended final dividend is 5.3p, making a total of 5.3p for the year. The final dividend is payable on July 7, 1997 to shareholders on the register on April 25, 1997. The ex-dividend date is April 21, 1997.

ROLLS-ROYCE PLC, 65 BUCKINGHAM GATE, LONDON SW1E 6AT.

The comparative figures for the year to 31st December, 1995 have been abridged from the Group's accounts for that year, which have been delivered to the Registrar of Companies. The auditors have reported on these accounts their report was unqualified and did not include a disclaimer under section 237(2) of the Companies Act 1985. Details can be obtained from the above address.



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BOMBRI S.A.

U.S. \$57,000,000 8 per cent Series A Notes due 1998

U.S. \$57,000,000 8 per cent Series B Notes due 1998 of the Issuer

At the meeting (the "Meeting") of the holders of the Notes ("Noteholders") convened by the Issuer and held at the offices of Allen & Overy, 1 New Change, London EC4A 3DF on Friday, 6th December, 1996 at 2.30 p.m., London time, the Extraordinary Resolution (the "Extraordinary Resolution") set out in the notice dated 13th November, 1996 (the "Notice") concerning the Meeting was considered and, as stated in the notice dated 20th December, 1996, was not passed.

The failure of the Extraordinary Resolution to be passed did not of itself mean that an Event of Default had occurred. In order for an Event of Default to arise and the Notes to be declared due and payable as a consequence of the circumstances referred to in the Extraordinary Resolution (the "Relevant Circumstances"), the Trustee would need to certify that the Relevant Circumstances are in its opinion materially prejudicial to the interests of the Noteholders as a class. The Trustee has advised the Issuer that it has considered whether the Relevant Circumstances are materially prejudicial to the interests of the Noteholders as a class and has concluded that they are not and that accordingly no Event of Default can be deemed. Accordingly no Event of Default has occurred.

PRINCIPAL PAYING AGENT
Barclays Bank plc
20 Abchurch Lane, London EC4N 3DF

This Notice is given by:
Bombri S.A.
Av. Belg. 100, 1000 Brussels
CSP 0473-800
Sole Place, Brussels

Dated 6th March, 1997

Notice to Bondholders

KOLON INDUSTRIES, INC.

Incorporated in the Republic of Korea with limited liability

U.S. \$40,000,000
0.25% Convertible Bonds due 2003 (New CB)

NOTICE IS HEREBY GIVEN to the holders of the Bonds that the Conversion Price is adjusted on February 28, 1997 Pursuant to the provisions of the Trust Deed constituting the Bonds, the Conversion Price of the Bonds is adjusted from Won 21,006 (New CB) to Won 16,805 effective on February 28, 1997.

The Chase Manhattan Bank
for and on behalf of
Kolon Industries, Inc.

March 7, 1997

Prices for securities determined by the publisher of the Financial Times and are subject to change without notice. Prices are in pence unless otherwise stated. Prices are for the 1st of the month unless otherwise stated. Prices are for the 1st of the month unless otherwise stated.

Security	Price	Yield
10% 1997	100.00	10.00%
10% 1998	100.00	10.00%
10% 1999	100.00	10.00%
10% 2000	100.00	10.00%
10% 2001	100.00	10.00%
10% 2002	100.00	10.00%
10% 2003	100.00	10.00%
10% 2004	100.00	10.00%
10% 2005	100.00	10.00%
10% 2006	100.00	10.00%
10% 2007	100.00	10.00%
10% 2008	100.00	10.00%
10% 2009	100.00	10.00%
10% 2010	100.00	10.00%
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10% 2013	100.00	10.00%
10% 2014	100.00	10.00%
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10% 2016	100.00	10.00%
10% 2017	100.00	10.00%
10% 2018	100.00	10.00%
10% 2019	100.00	10.00%
10% 2020	100.00	10.00%
10% 2021	100.00	10.00%
10% 2022	100.00	10.00%
10% 2023	100.00	10.00%
10% 2024	100.00	10.00%
10% 2025	100.00	10.00%
10% 2026	100.00	10.00%
10% 2027	100.00	10.00%
10% 2028	100.00	10.00%
10% 2029	100.00	10.00%
10% 2030	100.00	10.00%

NOTICE TO HOLDERS OF Corporate Express, Inc. 4 1/2% Convertible Notes Due July 1, 2000

On January 21, 1997, the Board of Directors of Corporate Express, Inc. (the "Company") declared a 50% share dividend on the Company's Common Stock, par value \$3.0002 per share, to shareholders of record on January 24, 1997. The distribution date for the 50% share dividend was January 31, 1997. As a result of the 50% share dividend, the Conversion Price (as defined in the Indenture, dated as of June 24, 1996, between the Company and Bankers Trust Company, as trustee (the "Trustee"), as amended by the First Supplemental Indenture, dated as of October 15, 1996, between the Company and the Trustee) has been reduced from \$50.00 to \$33.33.

Merrill Lynch & Co., Inc.
\$100,000,000
Floating Rate Notes due 2001
The latest interest period from July 1, 1997 to July 1, 1998, the Notes will carry a Rate of Interest of 6.47% per annum, per annum. The Coupon Amount per \$1,000 Note will be \$64.70. The Coupon Amount per \$1,000 Note will be \$64.70 and \$100,000 Note will be \$6,470.00 payable on July 1, 1997.

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COMPANIES AND FINANCE: UK

Pre-tax profits fall 13% to £1.26bn after restructuring costs at the UK's biggest conglomerate
Strachan completes reshuffle at BTR

By Ross Tremain

Mr Ian Strachan, BTR chief executive, yesterday announced the departure of former managing director Mr Alan Jackson from the board of Britain's biggest conglomerate, and the appointment of two independent non-executive directors, Mr Simon Robertson and Mr Alain Gomez.

Mr Robertson resigned last week as chairman of Kleinwort Benson Group, the merchant bank, after a row with Dresdner Bank, its German parent. Mr Alain Gomez retired last year as chairman and chief executive of Thomson-CSF, the French defence electronics group, after a confrontation with the French government over plans for a closer alliance

with General Electric.

Their appointments complete Mr Strachan's strategy of replacing the former BTR bosses with businessmen who have built a reputation elsewhere.

The boardroom reshuffle accompanied preliminary figures for the year to December 31. Pre-tax profits at BTR fell 13.4 per cent to £1.26bn (£2.05bn) under the

impact of business disposals and restructuring launched by Mr Strachan in a drive to revitalise the group.

As part of his overhaul, Mr Strachan identified businesses with sales totalling £2.3bn for disposal. Some £1.75bn of this target has already been achieved. As a result, group sales fell 24.7m to £9.53bn.

four core areas have been identified for growth: automotive components, power drives, process control equipment, and packaging and materials. Together with three areas of regional strength - in specialist engineering, building products and polymers - these generated sales 11 per cent higher at £8.4bn.

In accordance with its warning last year, BTR has cut its final dividend to 5.9p, making 9.5p for the year, down from 14.7p.

The shares added 7p to 289.75p.

Lex, Page 16

GKN rise fuels expansion plan

By Tim Burt

GKN, the motor components, defence and industrial services group, yesterday defied flat automotive markets and adverse currency movements by announcing a 13 per cent increase in full-year profits.

The company reported pre-tax profits up from £222.4m last year to £252.8m (£591.4m) on turnover of £3.88bn (£3.01bn) - achieved after a \$90m shortfall on currency translation.

Mr CK Chow, announcing his first results as chief executive, said a near-record trading performance from the group's three main divi-

sions meant it could proceed with "ambitious plans to increase sales in emerging markets and exploit outsourcing opportunities from industrial customers".

That strategy, he added, would not be hampered by the loss of a lawsuit in the US, where GKN has been convicted of defrauding franchisees of Meineke Discount Mufflers, its specialist exhaust retailer.

A judge in Charlotte, North Carolina, yesterday awarded \$69m in damages against the company, raising an initial jury award of \$34.7m. The ruling was higher than GKN's worst-case scenario of \$54m, but

less than the \$740m sought by the Meineke franchisees' lawyers.

GKN yesterday confounded some analysts by not including any provisions for those damages. The company, which is expected to appeal against the verdict, said it would await a final judgment before making such provisions. The uncertain timing of that has persuaded GKN to announce a second interim dividend of 16.9p rather than a final.

Mr David Turner, finance director, said the scheme would avoid any delay in paying shareholders, who would receive a total dividend of 26.5p (24p). The

increase partly reflected GKN's strong cash performance and improvements in working capital, he added. Operating cash flow rose from £272m to £353m.

Given an anticipated Meineke provision of about £250m, most analysts predicted GKN should have sufficient resources to fund its expansion plans.

Mr Chow said the group would seek supplier deals for its automotive and agricultural divisions. He also identified possible bolt-ons in the aerospace and special vehicles division, and is considering investment to establish an industrial services presence in North America.

LEX COMMENT

Ladbroke

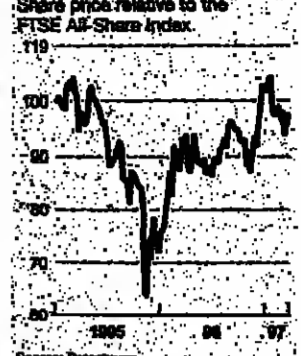
What a difference a year makes. Twelve months ago, Ladbroke was everyone's favourite bid target. Its betting business was losing to the National Lottery, and it had no clear hotel strategy because someone else owned the Hilton brand in the US. Now, gaming deregulation is kicking in, while betting products linked to the Lottery have helped Ladbroke get its own back. More important, a marketing deal with Hilton Hotels Corp (HHC) has united the Hilton brand. This may not reap the cost benefits of a full merger, but it underpins growth.

There is plenty more for Ladbroke management to do. The group generated no free cashflow after stripping out property disposals and dividends, and interest cover in 1997 will be little more than four times. It needs to sell further hotel properties to release capital for building up a more cash generative hotel management business.

However, the real excitement lies across the Atlantic. Mr Stephen Bollenbach, HHC's supreme, is supporting Ladbroke shares with far more than his promise to buy a stake. HHC's \$6.5bn ITT bid could provide Ladbroke with management contracts for more non-US hotels. And by massively expanding HHC's gaming business it could bring Ladbroke the US casino investments it has failed to find on its own. Finally, since Ladbroke is key to HHC's vision of the consolidation in global hotels, a full bid must be a possibility. But even if Mr Bollenbach does nothing, the shares still offer value.

Ladbroke

Share price relative to the FTSE All-Share Index



Source: Datastream



CK Chow (left) and David Turner: near-record trading

Ladbroke keeps eye on Clubs bid

By Soheerazade Daneshkhu

Ladbroke said yesterday that it was "watching carefully" the hostile bid by London Clubs for Capital Corporation, its smaller rival in the London casino market.

But Mr Peter George, chief executive of Ladbroke, refused to say whether his hotel and betting group would make a counter-bid to London Clubs' 47-for-100 all-paper offer, which values Capital at £183m (£298m).

Leisure analysts yesterday lengthened the odds on Ladbroke - which wants a fifth London casino - entering

the bidding.

Mr George also said that Ladbroke had not yet decided whether to issue new shares to satisfy the demand for a 5 per cent stake from the California-based Hilton Hotels Corporation, with which it has an alliance. He did not know when Hilton Hotels intended to take the stake. At yesterday's closing market value of £2.77bn, 5 per cent is worth £138.5m.

Pre-tax profits at Ladbroke fell from £95.4m to £59.2m in 1996 after exceptional charges of £103.8m. The rise was driven by buoyant trading in its Hilton International hotels.

Aerospace spurs Rolls-Royce rise

By Michael Skapinker, Aerospace Correspondent

Rolls-Royce yesterday cheered the market by raising its total dividend from 5p to 5.3p - the first increase since 1991.

Its shares closed at 256p, up 16p, the best performance yesterday from a FTSE 100 company.

The City was also encouraged by the prospect of the sale of Parsons Power Generation Systems and International Combustion.

Sir Ralph Robins, chairman, said his group had received a number of offers for the businesses, which would be sold separately.

Sir Ralph said Rolls-Royce would continue to work for consolidation of the aero engines business in Europe, although an approach to Snecma of France to work on the Trent 900 "super jumbo" engine had been rejected.

The group made a pre-tax loss of £28m (£45.6m) in 1996 after charges of £263m relating to Parsons and International Combustion.

Most of the increase in profit from continuing activities came from the aerospace side. Some £24m of the improvement came from the first full-year contribution from Allison, the US acquisition.

RESULTS

		Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current dividend (p)	Date of payment	Dividends corresponding dividend	Total for year	Total last year
Amco	Yr to Dec 31	151.8	(97.8)	3.75	(1.2)	18.8	(7.9)	4	5
Arjo Wiggins	Yr to Dec 31	3,572	(3,556)	139.8	(72.8)	10.2	(2.3)	4.8	7.5
BTR	Yr to Dec 31	9,531	(6,778)	67.9	(1,806.9)	10.7	(26)	7.2	18,075.8
Clark	Yr to Dec 31	48.3	(50.2)	1.16	(1.21)	5.89	(7.02)	3.256	4.07
Coates	Yr to Dec 31	1,878	(1,800)	44.8	(168.34)	11	(16)	4.7	8.8
Coatsworth	6 mths to Dec 31	90	(88.8)	0.822	(0.42)	0.38	(0.32)	0.5	1
Glaxo Wellcome	Yr to Dec 31	8,341	(7,638)	2,964	(2,555)	56.7	(50.3)	19.5	34.8
GKN	Yr to Dec 31	9,531	(3,305)	362.84	(322.44)	65	(32.9)	16.94	24
Henderson Countrywide	Yr to Dec 31	200.4	(150.5)	30.8	(3.88)	8.42	(2.18)	1.5	2
Hillendrom	Yr to Dec 31	3,209	(3,463)	128.8	(12.4)	13.5	(6.8)	7.8	9.5
ILP	Yr to Dec 31	11.9	(12.4)	1.07	(1.05)	4.13	(8.3)	1.32	1.08
Johns	Yr to Dec 31	18.3	(18.4)	0.937	(1.42)	6.3	(8.9)	1.75	2.5
Ladbroke	Yr to Dec 31	3,880	(3,846)	59.26	(65.4)	1.76	(5.14)	3.8	6.2
Malvern	Yr to Dec 31	11.2	(9.5)	1.63	(1.23)	7.68	(5.86)	2.7	3.8
Mare	Yr to Dec 31	102.7	(87.3)	13.4	(15)	21.1	(28.5)	11.4	13.8
Mowlem (Johns)	Yr to Dec 31	1,409	(1,457)	18.7	(30.4)	8.1	(17.8)	2	2
Ousem	Yr to Dec 31	1,142	(1,131)	85.8	(32.5)	28.2	(10.4)	10.2	14.33
Parsons	Yr to Dec 31	13.3	(15.8)	0.56	(0.56)	3.1	(3.1)	0.3	0.5
Rolls-Royce	6 mths to Feb 2	18.9	(17.8)	0.71	(0.127)	1.13	(0.1)	0.3	0.5
Rolls-Royce	Yr to Dec 31	4,291	(3,597)	28.4	(175)	3.19	(10.25)	3.3	5.3
Royal Sun Alliance	Yr to Dec 31	9,380	(8,403)	648	(1,031)	29.7	(52)	12.5	19
Select Appointments	Yr to Dec 31	389.9	(226.7)	19.9	(12.5)	18.2	(13.3)	2	2.5
Shapira	Yr to Dec 28	36.5	(31.1)	3.55	(0.106)	4.51	(0.89)	1	1

Investment Trusts

	NAV	Attributable Earnings (£m)	EPS (p)	Current dividend (p)	Date of payment	Corresponding dividend	Total for year	Total last year	
Latin American	Yr to Dec 31	234	(165.5)	0.875L	(0.578L)	1.17L	(0.77L)	1	1

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. @All stock. *Corrected. **After exceptional charge. ***After exceptional credit. †For increased capital. ‡Excludes foreign income. Dividend element. *Comparatives restated. #Amended. †Second interim in lieu of final. ‡First currency. □Not premiums written. \$On weighted average basis. \$US currency.

Sodexho

ALLIANCE

**"We take care of people.
That's why our alliances succeed".**

Gardner Merchant
—SCOTLAND—

Sodexho
—BRASIL—

Gardner Merchant
—MALAYSIA—

Partena

Sodexho
—FRANCE—

Gardner Merchant

Sodexho
—USA—

Van Hecke

Sodexho
—ITALIA—

Gardner Merchant
—AUSTRALIA—

Sodexho
—BELGIQUE—

Gardner

Contract Food and Management Services • Remote Site Management • Service Vouchers • Leisure Services

An Alliance of Achievement

Highlights of Chairman Pierre Bellon's message to the Annual Meeting of Sodexho Shareholders on February 25, 1997.

I - IN FISCAL 1996/97, SODEXHO MAINTAINED GROWTH IN SALES, REPORTED GOOD EARNINGS AND EXCEEDED OBJECTIVES FOR THE YEAR.

	At Aug. 31, 1996	% Growth
Consolidated sales (in millions of French francs)	24,961	36 %
Operating income (in millions of French francs)	1,124	50 %
Consolidated net income less minority interests (in millions of French francs)	685	—
Number of shares in issue	7,371,190	5 %
Earnings per share (in French francs)	92.92	129 %
Number of units	13,512	—
Employees	141,118	—

(1) Of which 24 percent due to the consolidation of Gardner Merchant over 12 months credit.
(2) Of which 33 percent due to the consolidation of Gardner Merchant over 12 months credit.
(3) Of which FRF 284 million in non-recurring items.
(4) Including Partena, accounted for by the equity method.

II - OUTLOOK

For 1996/97, I indicated at the last Board meeting that, based on currently available data and assuming constant exchange rates, consolidated net income before exceptional items less minority interests should reach FRF 500,000,000. This would represent growth of 25 percent, with earnings per share gaining 23 percent. Today, I can confirm this forecast.

Looking out to the medium-term, prospects are favorable for all of our businesses. Remote Site Management services, including those provided in French overseas departments and possessions, should account for around seven percent of consolidated operating income in 1996/97.

Service Vouchers have taken an increasingly important role in our earnings stream in recent years. In 1996/97, the business will contribute around 15 percent of consolidated operating income.

Leisure Services include river cruises and catering for some of the world's most prestigious events. The river cruises business is expected to contribute three percent of consolidated operating income in 1996/97.

Penitentiary Institutions are managed primarily in the United States, but also in France and Australia. Excluding CCA, which is not consolidated, this business should represent around one percent of consolidated 1996/97 operating income.

Food and Management Services are our largest business, which will account for around 90 percent of 1996/97 sales and 74 percent of operating income for the period. Our objective is to strengthen our position as global market leader.

III - PATHS TO PROGRESS

All our businesses enjoy strong potential for expansion, but to transform this potential into actual growth in sales and earnings, we are pursuing the paths to progress defined four years ago.

- Continuously improve client satisfaction through a commitment to quality and innovation.
- Develop our human capital, by:
- Encouraging the emergence of entrepreneurs among our employees.

IV - OUR GROWTH PHILOSOPHY

The philosophy

Our corporate mission is clear: to satisfy our clients, to meet the expectations of our employees and shareholders, and to participate in the economic and social development of our host countries.

Organic growth

To carry out this mission, we are committed to increasing our sales and earnings, because growth provides for greater job security, allows us to promote from within and creates more shareholder value. Our primary strategic focus is on internal growth, but in recent years we have supported this development with external acquisitions and alliances.

External growth (alliances and acquisitions)

Our international alliances

On February 1, 1995, the alliance with Gardner Merchant made us the world's largest contract food services group. On January 2, 1996, the alliance with Partena, Sweden's leading management services company, strengthened our position in the Nordic countries. In February 1996, we acquired an equity interest in Cardapio, Brazil's third largest service voucher issuer, which we now manage. This gave us access to what is today the largest voucher market in the world.

Our alliance philosophy

Sodexho operates in service activities which, while not very capital intensive, are highly people-intensive. Indeed, our growth is driven almost entirely by the skills and dedication of individual men and women. While it is possible to purchase factories, machines, processes and technology, you cannot buy the commitment, hearts and minds of a company's people.

This is why the experience gained by the Group in its external growth over the past five years has taught us to respect the history, culture and personalities of the individuals that join our corporate community. It is this philosophy that has guided our recent alliances and that will continue to guide us in the alliances to come.

To symbolize the reality and success of our international alliances, we have changed the name of the Sodexho SA holding company to Sodexho Alliance. As part of the changeover, we have also designed a new logo with five stars, representing our presence on the five main continents and the superior quality service provided by Sodexho's 141,000 employees around the world.

V - DIVIDEND

The dividend for 1995/96 has been set at FRF 26.00 per share, net of tax credit, representing income of FRF 39.00 per share including tax credit. It will be paid as of March 5, 1997. Total payout amounts to FRF 192 millions, a 24 percent increase from 1994/95. It corresponds to 48 percent of the consolidated net income before non-recurring items less minority interests reported for the year.

Our independence, our global reach, the quality of our teams, and our excellent financial position all provide us with important competitive advantages. The Group's outlook is favorable and in the years to come, we foresee good growth in sales and earnings, as well as a steady increase in earnings per share.

Sodexho
—ALLIANCE—

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Phone: +33 1 30 85 74 74 • Fax: +33 1 30 85 50 05 • Internet: <http://www.sodexho.com>

FT MANAGED FUNDS SERVICE

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4 per close March

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FINANCIAL TIMES

Continued on next page

WORLD STOCK MARKETS

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**Rockwell - a world leader in
industrial automation,
semiconductor systems,
avionics & communication,
and automotive components.**



INDICES

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1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

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X	Open	Sat Price	Change	High	Low	Est. vol.	Open Int.	
	2177.00	2181.50	+35.00	2184.00	2174.00	2727	23,839	
	2167.00	2169.50	+2.50	2166.50	2174.00	521	1,165	
INDEX								
	4590.0	4603.0	+13.50	4613.5	4588.0	5,511	24,914	Open
	4590.0	4603.2	+11.00	4616.0	4611.0	15	2,434	
100 nearest Australia A\$				↑ Corrected -	Calculated at 15:00 GMT,			Excluding
ESQ Energy: Toronto Canada Cdn \$					The Dlx Inc. includes overnight days' bids and			
ESQ Energy: New York US \$					the day's bid and low rates represent			
ESQ Energy: Mkt Bx 3,388.55 +47.10					figures in brackets are previous days' figures			Subject to c

INDICES

	1986/7			Sales completion		Amount received A/R	Amount owed A/R	Days outstanding
	Mar 5	Mar 4	Mar 3	High	Low			
	8945.05	8952.72	8918.92	1007.09	5032.94	7087.09	41.22	
				(10/2/86)	(10/1/86)	(10/2/86)	(7/17/82)	
	10.05	10.05	10.01	268.08	100.98	167.97	54.98	
				(14/2/86)	(15/7/86)	(14/2/86)	(14/2/86)	
	2436.44	2404.24	2231.11	1463.04	1282.71	1463.04	13.23	
				(5/5/87)	(18/1/86)	(5/5/87)	(6/17/82)	
	228.34	227.64	227.08	246.96	234.96	236.96	18.53	
				(10/2/87)	(30/7/86)	(10/2/87)	(7/17/82)	
g's high	604.58	604.78	604.98	604.58	604.58	(Theoretical)		
g's low	604.78	604.78	604.78	604.58	604.58	(Theoretical)		
and Power	92.91	700.95	761.31	818.29	588.48	818.29	4.40	
				(10/2/87)	(10/2/87)	(10/2/87)	(10/2/87)	
	93.98	92.36	92.77	938.98	767.67	938.98	3.32	
				(10/2/87)	(10/2/87)	(10/2/87)	(10/2/87)	
	93.98	92.36	92.77	96.31	80.87	96.31	7.13	
				(10/2/87)	(10/2/87)	(10/2/87)	(10/2/87)	
	420.67	418.68	417.34	427.01	421.01	427.01	4.64	
				(10/2/87)	(10/1/86)	(10/2/87)	(24/4/82)	
	800.88	807.84	804.82	807.84	807.84	807.84	5.20	
				(10/2/87)	(10/2/87)	(10/2/87)	(10/2/87)	
ap	1328.09	1317.37	1311.18	1288.06	888.57	1288.06	54.67	
				(10/2/87)	(15/1/86)	(10/2/87)	(10/1/74)	
OS								
nd. Ind. Div. Field	1.68	Feb 21	Feb 21	1.62	Feb 21	1.65		
	1.68	1.64	1.62	1.62	1.62	1.65		
Div. yield	1.77	1.73	1.72	1.72	1.87	1.87		
Div. P/E ratio	22.65	22.60	22.84	22.84	21.05	21.05		
PORTFOLIO ACTIVE STOCKS				IN TRADING ACTIVITY				
Stocks traded	Open	Close	Change	% Volume (in millions)				
	Mar 5	Mar 4	Mar 3					
14,935,350	3894	+16	+16	New York SE	5115.00	5362.19	452.81	
1,416,320	4294	+16	+16	AMER	272.30	20.284	16.851	
10,466,438	31	-1	-1	AMER	57.585	607.745	435.438	
8,719,390	31	-1	-1	NYSE				
3,434,250	3094	-2	-2	IMMSE Traded	3,516	3,523	3,322	
4,116,320	3194	-1	-1	IMMSE	1,052	1,052	1,052	
4,085,700	3214	-1	-1	Falls	918	1,110	1,216	
4,007,600	6126	-1	-1	Unchanged	803	846	811	
3,589,000	1446	+1	+1	High	106	128	78	
3,589,000	1446	+1	+1	High	24	25	27	
Open	Low	High	Low	Low	Est.	Est.	Est.	

300

	Open	High	Low	Est.	Vol	Settle
91.50	91.70	-0.10	81.60	811.60	7,781	38,415
91.50	91.70				1,281	38,415
Open Set Price	Change		High	Low	Est.	Vol
\$225					43,526	167,508
184.10	182.00	-28.00	184.50	177.00	43,526	167,508
184.10	179.70	-33.00	184.20	178.40	30,257	172,606

See prices for previous day.

eds. 3 Industrial, plus Yellow, Fennel and Transportation.
The above are the highest and lowest prices reached during the day by each
the nearest; and lowest values that the index has reached during the day. (The
recalculation.)

TOKYO

Rice ...
Soda M...
Tin ...
Tobacco ...
Toshiko ...

1.1	4.02	2.50
-0.01	-0.88	0.66
+0.03	2.44	0.58

[illegible]

+.10	8.96	3.05
+.02	5.45	4.02
-.78	2.68	2.70

Stocks Traded	Closing Prices	Change on day	Stocks Traded
7.1m	1400	-10	NKK Corp
6.6m	1240	+10	Nippon Steel Cp
5.8m	1440	+10	Honda Motor
5.7m	824	-13	Yamaha Motor
5.6m	998	-20	Full Heavy Inds

+2.25	24	24	2.8
+1.10	29.50	11	--
+1.10	5.40	3.30	1.6
+1.10	15.00	11.00	0.8

[illegible]

U.S. border countries ring Gulf

Closing Prices	Change on day
247	
322	-6
3680	-100
1030	-20
577	-12

NASDAQ NATIONAL MARKET

4 day class March

[illegible]

4 pm class March

[illegible]

- X - Y - Z -

Denmark.

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- Improve management information systems to supply information on operational risk exposures on a real-time basis, benchmarked against best practice in the industry.

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London WC2E 7EX



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- Liaison and assistance with financial control to develop the P&L
- Preparation of budget and monthly management information reports

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- Writing original marketing copy, as well as supervising the writing and production functions within the team.
- Overseeing internal research within the product areas, including interviews with investment staff.
- Establishing and managing the internal review process and ensuring adherence to standards and compliance regulations.

To be a candidate, you should have 3 to 5 years' experience gained in a retail marketing or financial publishing environment combined with a sound knowledge of mutual funds or unit trusts. In addition, you will be able to demonstrate excellent authoring skills in order to communicate complex concepts as clear, concise and compelling publications. Educated to degree level, you will also possess strong organisational and management skills, as well as a practical appreciation for PC applications and technology. A second European language would be beneficial.

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A fluent German speaker, the ideal candidate will probably have up to two years city experience and a good understanding of the nature of Fixed Income products. The culture of the bank requires a driven and entrepreneurial individual who understands the importance of a strong team environment.

For someone who is either looking to move into sales or to further their sales career this is an exciting opportunity which offers genuine career progression.

Interested candidates should contact Russell Barton or Karen Gay on 0171 831 2000. Alternatively send or fax a full curriculum vitae to them at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH. Fax 0171 405 9649.



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This is an outstanding opportunity for a team player with the willingness to learn and adapt to a challenging environment and the ability to develop and expand the role. Interested applicants should contact Sue Lintern at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH, quoting reference 336265. Alternatively, telephone her on 0171 269 2308 for an initial discussion.



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Cross-border recruitment is rare in most senior appointments, says Richard Donkin

Hunt for the elusive Euro-manager

The most surprising aspect of the request last week by Sir Richard Evans, chief executive of British Aerospace, that the company's partners in Airbus Industrie use a headhunter for its senior executive appointments, was that the plea should have been necessary in the first place.

Among the boards of large UK businesses the use of headhunters has become routine, so it is easy to forget that such practices are less well developed in the rest of the Europe.

Evans was anxious to head off the idea that future leaders of Airbus, which is due to be turned into a limited company, would be selected by established custom and practice. The managing director has, by tradition, been French while the chairman of the supervisory board has been German.

There seems no reason why such conventions should prevail in the new company. Although Airbus Industrie is headquartered in Toulouse, its official language is English. Evans' insistence that the "right man" should be chosen for the job broadens the hunt

for potential executives to any part of the globe.

Such sentiments are laudable and would seem to make good business sense, reinforced by much of the current theory supporting the need for truly international managers. But the reality is that cross-border recruitment is rare for the most senior posts, particularly in countries that do not share the same language.

"Large multi-national companies do appoint people of varying nationalities to their various international subsidiaries," says Miles Broadbent, one of the UK's most experienced headhunters and who runs the Miles Partnership. "This can be very effective - not least in developing international experience for high fliers."

"But, with few exceptions, British companies are managed by British managers, American companies by American managers, etc. There is more talk about the

modern Euro-manager than actual examples." Most appointments, he says, still tend to reflect the cultural differences across Europe.

But European executive recruitment methods are beginning to be influenced by the increasing emphasis on corporate governance in UK companies following the Cadbury and Greenbury reports. The formation of nomination committees - particularly in companies with a UK presence - has strengthened the position of headhunters who can consolidate their consultancy role.

Even though Airbus has avoided running itself as a typical French company, its country base means that it would need an exceptional foreign candidate. Such a candidate would need to know his or her way around the French political and business system.

The difficulties of overcoming national cultural barriers in management are

stressed in a new book* by Susan Schneider, professor of human resource management at HEC University of Geneva, and Jean-Louis Barsoux, a research fellow at Insead. But the authors point out that companies can take advantage of cultural norms in entering foreign markets.

In Japan, for example, women are a neglected pool of potential managerial talent: while they are well-represented among university graduates, they are not offered the same employment opportunities in business as men. This has led some recruitment experts to advise foreign companies entering the Japanese market to concentrate on hiring Japanese women. Not only are they in a plentiful supply, they also tend to be more motivated than their male colleagues.

The book also quotes the experience of Citibank in Taiwan which, when frus-

trated in its attempts to recruit local men as private bankers, began to take on more local women. The women were particularly successful, not because they possessed exceptional banking skills, but because, unknown to Citibank, they had good family connections to high-income clients.

Textbook leaders

Courses and books on leadership are thick on the ground and often thick in content. But a new book** by Professor John Adair of Exeter University manages to convey the fundamentals of good leadership in just 40 pages.

It is unlikely to end the debate over whether good leaders are born or made - although Adair believes that people can develop their leadership potential. But it will help people who may think they have what it takes to lead to identify their

strengths and weaknesses.

He outlines seven "generic leadership traits" - enthusiasm, integrity, toughness, fairness, warmth, humility and confidence. He includes integrity to distinguish between effective leaders and what he calls leaders for good. For example, says Adair, while it may be debatable whether Adolf Hitler was a good leader, it cannot be said he was a leader for good.

Adair also stresses the importance of knowledge linked to authority in any situation that allows a leader to emerge. Authority, he says, can take four forms: rank, knowledge, personality and moral authority. Winston Churchill, he argues, was equipped to lead Britain during the second world war, partly because of his "relevant knowledge" - his previous experience as a war minister and his background as a professionally trained army officer. This may also

explain why he found himself ill-equipped to lead the country afterwards.

The need for different approaches to fit particular circumstances is also illustrated in a section on team leadership that avoids becoming too prescriptive. It sets out six approaches to team planning, ranging from the leader devising the plan alone to one where the leader defines limits and asks the team to make a plan. Adair recognises that "there is no one right style" - it could depend on the time available to plan and the planning abilities of the team members.

There are many similarities between Adair's observations and those of Armin Rajan in a recent report*** on leadership published by the Create consultancy. The report is based on a combination of a survey among City financial institutions, in-depth interviews with 49 business leaders and 50

human resource specialists and two case studies.

Rajan found that many of the leaders he interviewed relied heavily on what he called "emotional intelligence" - self-awareness, self-motivation, persistence, zeal and the ability to rein in their own emotions and read emotions in others.

These have often been reinforced by various helpful workplace experiences such as lateral moves, difficult assignments and having a mentor figure. He also found many had experienced early crises in their lives or had enjoyed early triumphs. Others benefited from having role models. Another important ingredient was opportunity - being in the right place at the right time.

*Managing Across Cultures, Susan C. Schneider and Jean-Louis Barsoux, Prentice Hall, £20.95

**Leadership Skills, John Adair, Institute of Personnel and Development, IPD House, Camp Road, Wimbledon, London SW19 4UX, £5.95

***Leading People, Armin Rajan with Penny van Eperen, Create, 2 Holly Hill, Tunbridge Wells, Kent TN11 0ND, £45

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In order to excel in this demanding role, you will need excellent analytical skills and the ability to communicate clearly with managers at all levels of the organisation. Your career to date probably includes either an MBA or some experience in business consulting.

If you would like to be considered for this position, please forward your CV and details of your current salary to:

Tracey Songer, Business Development Department, Financial Times, Number One Southwark Bridge, London SE1 9HL by Friday, March 21.

The Financial Times is an equal opportunities employer

Ernst & Young Hong Kong and China Offices

invite applicants for Audit Senior and Audit Manager positions

Are you looking for:

- complex intellectual challenges, working with experienced auditing professionals for international and blue chip clients?
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Ernst & Young is a \$7.8 billion organisation, with 72,000 people in more than 130 countries, and is one of the world's major professional services firms.

Due to the expansion of the Ernst & Young Hong Kong and China offices, we are looking for qualified accountants with a minimum of 3 years' auditing experience. Knowledge of one of our industry focuses – Banking, Insurance, Capital Markets, Media & Entertainment, Hi-Tech & Telecommunications – would be helpful, but is not essential.

What are we offering:

- challenges as a result of growth which is unprecedented elsewhere in the world.
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- progressive and rewarding career opportunities.

We are looking for candidates with excellent communication skills in English and knowledge of working Chinese. Interested candidates please apply with comprehensive CV and university/college transcripts to: Mr Bon Ho, Staff Partner, Ernst & Young, 10/F, Tower II, The Gateway, 25-27 Canton Road, Kowloon, Hong Kong.

Closing date 25 March 1997.

ERNST & YOUNG

Each national firm of Ernst & Young is a member of Ernst & Young International.

Key Finance Appointments

Global Electronic Design

Dublin

Our client, a major US multi-national, provides comprehensive services and technology for the product development requirements of the world's leading electronic companies. With a turnover fast approaching \$1 billion and over 3,500 employees, it is quoted on the NYSE and heavily organic growth oriented.

As part of progressive expansion plans in Europe, the company is in the process of building a major new hardware design service centre in Dublin to increase its ability to provide leading edge services to demanding international customers. Central to the development of this new facility is the appointment of two first class finance professionals, the more senior of whom will have an international finance role.

Head of Finance

to £50,000 + Car

The Head of Finance will be fully accountable for all financial, banking, treasury, tax and legal matters concerned with this new profit centre and the broader business. Cash and investment management, foreign currency hedging and effective international tax accountability will be primary areas of focus in this commercially accountable appointment. The appointee will report directly to the General Manager, and will be supported by a small professional team.

Suitable candidates will be high calibre professional accountants (7+ years' experience) who can demonstrate a track record of success in international financial management. Experience of US GAAP and high technology companies is highly desirable. Ref: 670J

Both appointments represent excellent entry points into this rapidly growing organisation. The salary and benefits packages are commensurate with those expected from a world leader.

Financial Controller

to £30,000

Assuming full operational accounting control, the appointee will provide strong financial advice, guidance and support to the Board. Responsibilities include management and statutory reporting, project accounting, payroll and audit management.

This post will suit a young (2+ years' experience), ambitious and possibly newly qualified accountant who demonstrates clear potential for international career progression. A broadly based, large company training, including some experience of US GAAP, is preferred. Ref: 671J

Please send a full CV in confidence to GKRS at the address below, quoting the relevant reference number on both letter and envelope, and including details of current remuneration.

GKRS

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86 JERMYN STREET, LONDON SW1Y 6JD. TEL: 0171 468 3800
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THE POSITION

- Report to the UK General Manager and assume full responsibility for all aspects of financial management involving close liaison with the European HQ.
- Contribute to the strategic and operational development of the business and play a significant role in driving profitable growth.
- Develop business planning and forecasting systems to facilitate effective evaluation of opportunities to maximise performance and achieve business goals.
- Build, sustain and motivate a truly world class finance team.

QUALIFICATIONS

- Qualified Accountant with a strong track record of achievement gained within a dynamic, fast-moving business environment.
- Strong commercial acumen and analytical abilities coupled with excellent interpersonal skills and able to influence and communicate throughout the organisation.
- Innovative, lateral thinker with a pro-active style and high levels of energy and enthusiasm necessary to succeed in a rapidly growing business.
- Internationally mobile in order to take full advantage of career development opportunities on a global basis.

Interested candidates should write, enclosing full career and current salary details, to the advising consultant, Stephen Banks, at Questor International Limited, 3 Burlington Gardens, London W1X 1LE. Please quote reference 2177. E-mail: Stephen@questorint.com



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Price Waterhouse is one of the world's leading providers of professional services. The firm is committed to the success of its clients' international business through the provision of first-class, comprehensive international assignment services for some of the world's major companies and their executives. Its reputation comes from understanding the needs of multi-national clients and tailoring advice to meet their objectives. The International Assignment Services (IAS) group provides tax consulting services relating to the efficient management of the relocation cost equation. Due to phenomenal international growth of the IAS practice, the firm is seeking to recruit a number of Senior Tax Managers and Consultants with expatriate tax expertise to work in a variety of locations.

The Role

- Manage substantial client assignments with a particular focus on international assignment policy. Analyse and quantify total costs of expatriate programmes.
- Benchmark clients' expatriate policies and formulate policy recommendations in line with specific requirements and cost saving objectives.
- Review international tax and social security planning opportunities to ensure clients' remuneration packages are the most tax efficient possible.
- Provide on-going support to individual assignees on matters such as pre-assignment planning, assignee registrations and tax compliance services.
- Contribute to the further development of the practice through the active development of new international clients.

The Requirement

- Graduate-calibre, ideally entrepreneurial Lawyers or Accountants with at least four years' specialist experience in international expatriate tax.
- First-class interpersonal skills, capable of commanding the respect of the most senior staff members within client organisations.
- Energetic and enquiring mind combined with close attention to detail, ready to work to tight deadlines and committed to high professional standards.
- A proven business developer, capable of creating new business opportunities as well as further developing existing client relationships.
- International in orientation and highly mobile. Fluent in English and another language.

Please send your CV with current salary details to:
David Burton, K/F Selection,
252 Regent Street, London W1R 6PL.

quoting ref: 5576/C. Alternatively send by fax on
0171-312 3380 or e-mail to cv@kselection.com
Internet Home Page: <http://www.kselection.com>

K/F SELECTION

A DIVISION OF KORN/FERRY INTERNATIONAL

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At Coopers & Lybrand, our In-Control Services unit provides leading edge business risk and control solutions to major listed and public sector organisations seeking to understand their business risks and provide assurance to management that their controls bring true business value.

We are seeking motivated, clear thinking people with an enquiring mind and the credibility to work with our clients in this demanding and fast moving project-oriented environment. Working within a team of specialists you will deliver workable solutions to financial, operational and compliance risk and control issues.

You should be a graduate with at least 5 years' experience as an accountant, business advisor, project manager, or line manager for a blue chip or leading service organisation. You should have excellent

communication, presentation and interpersonal skills, and demonstrable experience of business analysis and problem-solving.

Our assignments involve working with our clients to identify and assess key risks and risk management processes providing assurance to business leaders responsible for managing change through risk-focused actions.

In return for your efforts, we offer you the chance to gain superb experience dealing with board level issues and a wide variety of clients.

For further information send your CV including details of your current salary to Vicki Wells, Coopers & Lybrand, 1 Embankment Place, London WC2N 6NN. Email: vicki_wells@gb.coopers.com

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Chief Accountant

City

c.\$55,000 + car + excellent benefits

Dow Jones operates in over 40 countries across Europe, the Middle East and Africa, and has an excellent opportunity for a professional Chief Accountant who will report to the Finance Director. This newly created role incorporates a broad range of planning, control and managerial responsibilities, and is critical to the success of the ambitious plans the company has over the next two years.

Key responsibilities include:

- supporting the departmental managers in forecasting and budgetary control;
- overseeing the US reporting and compliance with US GAAP;
- improving Finance systems in conjunction with in-house systems specialists;
- managing a Finance team of 20 employees;
- ad hoc projects.

Ideally, you will be a high-calibre qualified accountant, preferably chartered with at least 3 years' post-qualified experience. You will also have excellent technical ability, possess outstanding managerial skills and have a hands-on approach to problem-solving. Assertive, creative and proactive by nature, you will have proven your ability to work under pressure in a demanding and dynamic environment, and to quickly establish both personal and professional credibility. In addition, you must be a team player, have excellent communication and interpersonal skills, and be able to liaise effectively with people at all levels including senior management.

To discuss this excellent opportunity further, interested applicants should send a full curriculum vitae stating current remuneration to David Magowan at Robert Walters Associates, 10 Bedford Street, London WC2E 9HE. Telephone: 0171-379 3333. Fax: 0171-915 8714. E-Mail: david.magowan@robertwalters.com

Any applications sent direct to Dow Jones will be forwarded to Robert Walters Associates. All applications will be treated in strictest confidence.

DOW JONES

APPOINTMENTS ADVERTISING

Appears in the UK edition every Monday, Wednesday & Thursday and in the International edition every Friday.

For information on advertising in this section please call:

Toby Finden-Crofts 0171 873 3456

US NASDAQ Investment Analyst/Manager Oxford

A well established Oxford based international company has substantial holdings in US private equity funds and a portfolio of US, high growth, post IPO publicly traded stocks.

An experienced Investment Analyst/Manager is now required to augment an existing highly professional team to establish and manage a sizeable portfolio of a newly formed fund.

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Bear Stearns, the US Investment Bank, is currently seeking to recruit a self-motivated and enthusiastic individual to establish and coordinate the Credit Department at the newly created banking subsidiary, Bear Stearns Bank Plc, in Dublin.

Applicants must have at least five years experience in Credit and a strong knowledge of CTR derivatives transactions. They should possess a strong ability to coordinate with many areas, as they will be responsible for the credit approval process for derivatives transactions booked in the bank's name. An assertive personality and the capacity to work with a team are essential to deal with the strategic and policy issues affecting the bank. Preference will be given to Irish nationals.

If you are interested in applying for this position, please send/fax your curriculum vitae and a letter of introduction to:

Ms. Mendoza-Silgado,
Bear Stearns International Limited,
1 Canada Square,
London E14 5AD
Fax Number: 44-171-516-6027

BEAR STEARNS

GROUP MANAGING DIRECTOR

We are a company listed on the Stock Exchange with subsidiaries throughout Europe engaged in the development of industrial projects and real estate.

We are seeking a Group Managing Director who will be responsible for the expansion of the group's activities in collaboration with the Directors of the subsidiary companies.

The successful applicant will be responsible for:

- Setting and meeting financial targets
- Implementation of the group business plan
- quality control

If you have proven:

- business management experience and commercial ability
- ability to work in a team and under pressure
- good interpersonal skills
- ability to report and to present findings and recommendation in a clear and concise manner
- good command of English and German or French

then apply to us.

Remuneration package includes base salary of £70,000 per annum.

Write in confidence including curriculum vitae to:
c/o Keith Hawkins, Dutton Gregory & Williams, Solicitors,
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Use your ability to consult with clients and close the right deals to contribute to our growth and participate in our equity.

Stephens has been headhunting the financial markets for over twenty years, servicing clients locally whilst working as a co-ordinated international firm. We now seek several people to play a key part in the continuing development of our consulting strength in the debt, equity, derivative and other financial instruments; investment banking; asset management; private banking; insurance and financial services in London, Europe, the Far East and the US.

As a seasoned professional, you will understand the dynamics of the financial industry and know your market. You will be credible with natural gravitas; a perceptive listener with communication skills; and a focused achiever with tenacity. If you are motivated by the idea of servicing and building client relationships, and managing and completing assignments successfully, then we would like to talk to you.

To discuss the role, scope and rewards in any of our offices, please first contact Debbie Mills to total confidence, at Stephens International, 20 Cousin Lane, London EC4R 3TE. Tel: 0171 236 7307. Fax: 0171 489 1130. E-mail: dmills@stephens.co.uk

STEPHENS

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International Insider

International Insider Publishing Co., a leading independent supplier of news and commentary on the international capital markets, is seeking staff for its existing BondWatch analytical service and for a new commentary service, to be transmitted on Reuters. The positions would suit an experienced financial journalist or someone with sales/trading experience in the international bond market.

Contact, with CV:

Christopher Wilkins, Editor, International Insider,
Lindgate House, 107 Fleet Street, London EC4A 2AB

SOLICITORS' INVESTMENT MANAGER

(South West England)

A highly experienced, multi-disciplined individual is required to service and expand this firm's established investment clientele. Qualifications must include the Law Society's B111 module. Applicants with their own Client banks would be particularly suit.

Apply in writing to:

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3 West Borough, Wimborne, Dorset
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- Finance Director heads a team of three and is one of five senior executives reporting to the Managing Director.

- As well as ensuring that all reporting, accounting and administration tasks are completed to a high standard, he/she will act as a true 'right-hand person', providing support for business decision-making and enhancing

systems and procedures to underpin the development of the operations.

- Commercially-minded qualified accountant, probably a graduate, with in-depth experience of costing in a high volume manufacturing group. International experience would be particularly advantageous.

- Essential personal qualities will include a high level of intellect, excellent communication skills, a genuine preference for team playing and the ability to bring an outward facing approach to the finance function.

- This is a highly focused operational position in a dynamic environment offering excellent scope for career progression.

Please apply in writing quoting reference 1348 with full career and salary details to:
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Tel: 0171 290 2043
http://www.gbnct.co.uk/whitehead

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GROUP FINANCIAL DIRECTOR

Southern Europe

c\$100,000

With over 100 ships under management, this group is highly successful and is currently expanding rapidly. The prestigious headquarters are based in Southern Europe and the group has offices throughout the world. A dynamic and highly able Finance Director is sought to lead the function and provide information and advice on financial strategy to the board.

The role calls for a strong, well organised, pro-active communicator, resourceful and with experience in the provision of project finance and treasury management. As a practiced negotiator you will easily be able to maintain and develop the first class banking relationships currently in existence. In addition, you will quickly engender and develop strong rapport with divisional management ensuring coordinated, timely and organised financial reporting to group headquarters.

The successful candidate is likely to be in their 30s/early 40s, a graduate CA with proven experience at board level and within an international environment. Knowledge of shipping and a second European language would be useful but are not essential. This individual will have strong leadership skills, a proven track record in managing and developing successful teams and will be prepared to travel. Computer literacy is fundamental.

The package and basic salary reflect the seniority of the position. Candidates should write as below enclosing full CV, details of current remuneration and responsibilities and an explanation as to why they would be suited to this post to: Susie Becker, Moore Stephens, Warwick Lane, London EC4P 4BN

MOORE STEPHENS

Head of Group Internal Audit

City - £ Excellent + bank benefits

- Headquartered in London, this well established international bank has operations in Russia, the Far East and North America offering a customer focused service to a far reaching and expanding client base. The Bank prides itself on its expertise in the emerging markets of CIS and Eastern Europe where it has an impressive reputation in the areas of trade finance, project and asset based finance, as well as treasury and trading activities.

- This is a high profile role which reports into the Board. The appointee will be responsible for the continuing development of the Group Internal Audit function, initiating and implementing programmes across the Bank worldwide. As a proactive, consultative function, Internal Audit provides risk based reviews which add value to the business and aim to improve overall operational effectiveness.

ERNST & YOUNG

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- A qualified accountant, with relevant bank audit experience, you offer people management experience and the ability to enhance the contribution internal audit makes to the management of risk within a rapidly developing market. Computer audit skills are assumed as are the necessary leadership qualities required to command respect both inside and outside the Bank. Above all you have the credibility that will enable you to have a real impact on the Bank's future development.

Please write outlining your suitability for the position and enclosing your curriculum vitae, including current remuneration details, to: Susan Milford/Richard Pooley at Ernst & Young Management Resourcing, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH or email: smilford@ecymr.co.uk quoting ref: RP0105. Alternatively contact Susan Milford on 0171 931 1025 (daytime) or 0973 112570 (evenings) for a confidential discussion.

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Finance Director

De Montfort is one of Britain's largest and most innovative Universities, serving some 28,000 students at centres in Leicester, Milton Keynes, Bedford and Lincoln. With revenues in excess of £100 million, a strong balance sheet and positive cash flow, the University has the resources and commitment to invest in the future. A proven finance professional with a strategic orientation is now sought to provide the financial underpinning to the University's activities, working as part of the executive management team in bringing ambitious development plans to fruition.

THE ROLE

- Responsible to the Chief Executive/Vice-Chancellor for the financial strategy and viability of the University. Direct the budgeting process and provide financial input to strategic discussions.
- Participate in capital strategy development, advising on income maximisation, funding arrangements and other financing opportunities within the sector.
- Provide leadership and management to a fifty-strong team in financing and purchasing. Work closely with all University departments relating revenue and capital requirements to academic targets.

THE QUALIFICATIONS

- Graduate, qualified accountant with successful track record as a Finance Director in a multi-site, commercial/service-led environment.
- Experience of operating as part of a senior management team, supporting growth through sound and innovative financial strategies.
- Strategic thinker, alert to wider policy issues within the sector, able to interpret financial implications to the University's advantage. Interest and commitment to higher education essential.

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Please reply with full details to:
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Following Brands Hatch Leisure PLC's successful flotation in 1996, a proactive manager is required to interface with all areas, providing top quality management information, to tight deadlines, highlighting key performance indicators, explaining variances and identifying trends, to ensure business objectives are achieved.

You will be a highly computer literate, FCA, ACA or ACMA accountant with a management accounting bias and 4-5 years' post qualification experience, preferably gained within a multi-site, service led organisation.

Please send your CV with details of current salary package in strictest confidence to:

Donna Newell, Personnel Team Leader,
Brands Hatch Leisure Group Limited,
Fawkham, Longfield, Kent DA3 8NG
Tel: 01474 872331 Fax: 01474 872929

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INTERNAL AUDITOR INSURANCE/REINSURANCE GROUP

London Base

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Our client is the European arm of a major and well established international insurance group with operations spanning Asia, the Pacific, Europe, and North America. The group wrote over \$1.5 billion of business last year, of which reinsurance accounted for about a third. A vacancy has arisen in the Internal Audit function which covers operations in the Northern Hemisphere.

Reporting to the Manager of Internal Audit you will be responsible for refining the existing risk based audit approach, delivering high quality audits and reporting on findings. Working with colleagues in the group internal audit function you will keep the control environment under continual review and liaise with operational management on the implementation of effective solutions. Based in the City you should expect to spend about 30% of your time away from home.

Probably a Chartered Accountant having qualified with a well regarded firm, you will have at least two

years exposure to insurance and/or reinsurance business either as an external auditor or internally in an accounting role. You must have a good level of IT literacy and it would be particularly helpful if you have knowledge of both UK and US accounting standards.

The personal qualities required for success include the presence and communication skills to be credible at a senior level and to operate without close supervision. This is a substantial group and high performers can realistically view this as a stepping stone to an international career within a major organisation.

Please send full personal and career details, including current remuneration and daytime telephone number, in confidence to Box A5358, Financial Times, One Southwark Bridge, London SE1 9HL.

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Experience profit improvement.

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£45,000 + FX CAR + BONUS + BENEFITS

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Its success to date has been founded on technological innovation combined with a management focussed on customer service, quality, improved margins, and asset utilisation. The company can continue to face the future with confidence.

This role has arisen as a direct consequence of the promotion of the present incumbent to a Divisional Finance Directors position.

Reporting to the CFO and based at the European Head Quarters, the successful candidate will assume responsibility for the Financial Planning

processes in Europe. Supervising a small, highly professional team specific duties will include:

- five year European Divisional plans, both financial and growth
- annual budgeting at both country, division and European levels
- monthly and quarterly performance reviews of both country and European divisions
- management of the financial reporting process.

This is a high profile position and will involve liaison with senior level management.

Candidates will be graduate qualified accountants aged between 28-35

with at least two years commercial experience.

The ability to multi-task and prioritise effectively is prerequisite. Regular interaction with the business units will require excellent communications skills. Essential qualities will include enthusiasm, energy and a *can do* attitude to work.

To discuss this opportunity in greater detail contact Jon Vonk on 0171 379 3333, evenings and weekends 0171 720 1527. Alternatively submit a comprehensive curriculum to him at Robert Walters Associates, 10 Bedford Street, London WC2E 9HP, fax 0171 915 8714.

Email: jon.vonk@robertwalters.com

ROBERT WALTERS ASSOCIATES

L O N D O N A M S T E R D A M B R U S S E L S N E W Y O R K H O N G K O N G S Y D N E Y W E L L I N G T O N A U K L A N D

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Further expansion in key business areas provides an opportunity for an intelligent and highly motivated individual

to develop their career by joining a high profile audit function.

You should have a strong academic background and an excellent auditing track record within the financial services sector.

Familiarity with core capital markets products is essential.

Interested applicants should contact Nicholas Baxter on 0171 915 8787, or fax on 0171 915 8714 or write, enclosing a detailed curriculum vitae, stating current salary, to him at Robert Walters Associates, 10 Bedford Street, London WC2E 9HP. E-mail: nicholas.baxter@robertwalters.com

ROBERT WALTERS ASSOCIATES

L O N D O N W I N D S O R A M S T E R D A M B R U S S E L S N E W Y O R K H O N G K O N G S Y D N E Y W E L L I N G T O N A U K L A N D

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A**

**CHRYSSAPHES
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ASSOCIATES**

**EXECUTIVE
SEARCH & SELECTION
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Fast-Growing Media Business – FTSE 100 Group

Finance Director

Early 30s – Ideal c.£60-70,000 + Bonus + Car London

Rapid business development in a fast-growing sector has created an excellent opportunity to fulfil a vital commercial role as Finance Director for one of the business units within this high profile division. The business is one of the leading brands in the sector, and career prospects within the division and the Group are outstanding. Predominantly UK based, the position has increasing international emphasis.

Reporting on a matrix basis to the Managing Director, and functionally to the Divisional FD, the key challenges are: to effect culture change, ensuring that Finance performs as a full business partner alongside Sales, Marketing and Operations; to improve the quality of management information and business/financial analysis, and to play a vital commercial role in supporting the business' ambitious global growth plans.

Successful candidates will be outstanding graduate accountants in their early 30's, who have already demonstrated real career progression, ideally within a fast-moving blue-chip environment with a strong financial culture. You will have a solid technical grounding, but more particularly will have at least five years' experience of addressing real commercial business issues. You will be ambitious, have worked successfully in a team environment, and have the ability to provide influence and gain credibility at all levels.

You should write or fax in confidence, enclosing your resume and current salary details and daytime/evening telephone contact numbers, quoting reference 703/A on both envelope and letter/fax, to the address below:

Chryssaphes Flammiger Associates, Bechtel House, 245 Hammersmith Road, London W6 8DP (Fax: 0181 528 9878).

TREASURY REPORTING MANAGER

City c£40,000 + Car + Bonus

■ Our client is a world renowned international financial services company. This is a newly-created function within a multi billion dollar group which has proven success in the development of employees' potential.

■ The challenge will focus on adding value by developing existing interest rate and FX risk management methodology. Responsibilities include front line reporting to group; supporting risk management; liaison with finance divisions; and international investment markets exposure including FX dealing.

■ Candidates will be energetic, numerate graduate accountants, ACT qualified, ideally MCT qualified, with experience in a financial services environment or dynamic corporate. In addition they will be creative, lateral thinkers, who are solutions-oriented and possess strong inter-personal and project management skills. Excellent career prospects in the UK and overseas.

Please write enclosing full curriculum vitae quoting ref: 196 to: Nigel Hopkins FCA, London House, 53-54 Haymarket, London SW1Y 4RP. Tel: 0171 839 4572 Fax: 0171 925 2336

NIGEL HOPKINS
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Finance Manager

Southern Poland Excellent Package + Reloc.

With a turnover in excess of DM 4.1 billion, our client is a subsidiary of one of the largest producers of packaging materials for the food and beverage industry. Polish operations began in 1994 with a manufacturing facility for the largest subsidiary, serving customers across Europe. Due to the continued expansion of the company's business in Eastern Europe, a need has arisen for a dynamic Finance Manager to take charge of the accounting and finance function based in Southern Poland.

Reporting to the European Finance Director and locally to the General Manager, you will be a full member of the local management team. Responsibilities will be the on-going design and implementation of Western accounting procedures to include budgeting, forecasting and cash flow analysis. Other duties will include supervising the preparation of local and international statutory accounts.

This is a hands on role and candidates

should have already some management experience gained in an audit or Western company environment in Poland. Knowledge of US GAAP and Polish reporting principles are essential. In addition, applicants should be qualified or part qualified accountants with an internationally recognised qualification. Due to the location and nature of this role, knowledge of the Polish language is a pre-requisite.

The company is committed to the growth and development of all its employees and therefore offers excellent career progression opportunities for the successful candidate.

Interested candidates should forward a comprehensive CV with salary details in confidence, quoting reference 302098 to Catherine Zasacka, at Michael Page Eastern Europe, Page House, 39-41 Parker Street, London WC2B 5LH, England or by fax on +44 (0) 171 404 6370, telephone +44 (0) 171 269 2384.

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International Recruitment Consultants

Daily Mail and General Trust plc

Deputy Group Treasurer

Central London

£ Negotiable + Benefits

With an annual turnover in excess of \$1 billion, Daily Mail & General Trust is one of the UK's largest and most successful media groups. The publication and printing of newspapers such as the Daily Mail, Mail on Sunday and the Evening Standard provide the main thrust of the organisation but, in addition, the group has a strong presence in television, radio, magazines, software, video and book publishing.

Supporting the Group Treasurer, you will provide the essential link between the Finance and Treasury functions. A challenging and wide-ranging brief will include:

- Analysis of Treasury, Debt, Interest Rates, Eurobonds, Derivative Structures and Cashflows.
- Meeting and Liaising with Banks and other lenders.

- Supporting the Treasury Dealing Manager.
- Involvement in the financial aspects of acquisitions and disposals.

The successful candidate will be a self-motivated, professional ACA with a strong academic background. A minimum of 18 months relevant experience in Treasury is essential, as are first class communication skills, drive and ambition. An ACT qualification would be advantageous.

If you feel you have the necessary qualifications to undertake this exciting role, please forward a detailed curriculum vitae, including details of current remuneration to Justin Pearson at Michael Page Finance, Page House, 39-41 Parker Street, London WC2B 5LH or fax on 0171 242 1020 quoting ref 336479.

Michael Page Finance

Specialists in Financial Recruitment
London Bristol Birmingham Edinburgh Glasgow Leatherhead Leeds
Maidenhead Manchester Nottingham Reading St Albans & Worldwide

Financial Planning and Analysis

NORTEL
NORTHERN TELECOM
A World of Networks

to £40,000 + Car + Benefits

With business in 90 countries and a turnover in excess of \$12.5 billion, Nortel continues to successfully push back the boundaries of communication on a global scale. Our European Public Carrier Networks group analyses data from expanding operations throughout the continent, and is looking for an energetic graduate. The information, entertainment and communication networks that we design, manufacture, integrate and support are transforming daily life.

This role encompasses responsibility for the reporting and analysis of actual, planned and projected revenues and expenditure, for these corporate units as well as direct involvement in two joint ventures in Europe. Close liaison with finance managers in North America and Europe, including UK, will be key in successfully achieving objectives, which include the preparation of the monthly actuals and budget pack for the President of this \$2 billion Business group. The complex mix of Network types, diverse products and geographical regions, brings in to play a matrix organisation structure for maximum flexibility.

You will be a qualified ACCA or AICPA with systems skills in Oracle and Excel, and experience of working in an Analysis and Planning environment. You will motivate and develop a small staff, and possess a "Right first time" attitude, in this high visibility role.

To apply, please email, send or fax a typed CV, including salary details and quoting Ref: ENA00168, to our Resourcing Centre on 0181 945 3018 at Nortel Limited, Clyde House, Waldeck Road, Maidenhead, Berkshire SL6 2BB. Email: resourcing_centre@nt.com. When sending your CV, quote the reference on both the outside of the envelope and on your CV. For an informal discussion, please contact our advising consultant, Mark Rowley at Hert Austin Rowley on 0171 629 1223.

There are many other opportunities within Nortel. Please quote Ref: ENA00268. To apply, please email, fax or send your CV to the above number or send it to us at the above address.

We are committed to equal opportunities.

DIRECTOR OF FINANCE & ADMINISTRATION

'Premier Law Firm in the North'

North East

DICKINSON DEES SOLICITORS

£55-60,000
+ Car + Bens

Dickinson Dees has enjoyed sustained and considerable growth and is firmly established as one of the UK's premier law firms. The firm is progressive and expanding and has an absolute commitment to providing the highest quality of services to its clients. Dickinson Dees has exciting plans for further development and seeks to strengthen its management team.

THE POSITION

- Report to the Managing Partner and assume full responsibility for financial management and control.
- Drive the implementation of medium and long term strategy, creating financial models and appraisal methods for the evaluation of business opportunities.
- Provide financial advice to departmental managers and have a major input in the formulation of commercial strategy.
- Lead and develop the finance team to achieve the highest standards of quality value driven financial management.

QUALIFICATIONS

- Qualified Accountant, aged 35-45, with experience of broad commercial and financial management, probably gained within a business/professional services environment.
- Exceptional leadership, motivational and interpersonal skills with high levels of personal energy, ambition and drive, along with the presence and maturity to inspire confidence.
- Strong strategic and commercial awareness with the intellect and vision to create and innovate, balanced with a pragmatic, results focused style.
- Experience of developing and implementing IT strategies to generate business benefit would be desirable.

Interested candidates should write, enclosing full career and current salary details, to the advising consultant, Stephen Banks, at Questor International Limited, 3 Burlington Gardens, London W1X 1LE. Quote ref 2166.

QK
QUESTOR INTERNATIONAL
A Michael Page Group PLC Company

INTERNATIONAL FINANCIAL CONTROLLER

£45,000 - 50,000 + CAR

SURREY

Following its flotation in 1992 our client, a long-established US consumer goods manufacturer (T/O \$800m), has been driving forward a programme of strategic restructuring and acquisitive growth. As part of this process it has recently acquired the UK market leader in its sector and it is now making this the headquarters of its International Division, which encompasses all its operations outside North America.

This is an important new role reporting to the UK based, International Finance Director and liaising closely with the unit financial managers to ensure effective international reporting and control. Key tasks will include the creation and management of a centralised reporting system, financial analysis and performance review, capital expenditure appraisal, expansion projects, systems development and ad hoc trouble-shooting exercises.

This is a challenging high profile position in a rapidly changing fmec environment. It requires a top-flight individual with flexibility, drive and commitment. Candidates should be Chartered Accountants of graduate calibre with commercial flair and Board level credibility. We are seeking a strategic thinker, who has trained in a major firm and has at least three years PQE in an internationally focused, commercial environment. Previous experience in fmec, knowledge of US GAAP and fluency in a second European language would all be beneficial.

Please reply in confidence, enclosing your CV and current salary details to Paul Carvoso at Howgate Sable and Partners, 35 Curzon Street, London W1Y 7AE, quoting ref: FT428P.

Visit our web site at <http://www.topjobs.co.uk/howgate>



Howgate Sable & PARTNERS
EXECUTIVE SEARCH AND SELECTION

London • Manchester • Leeds • Newcastle

Financial Controller

Thames Valley

c £40,000

The market for interactive games software is characterised by rapid development and dynamism. Our client is a leading player in this field and the corporate ethos of innovation and a passion for their products has enabled the business to achieve rapid growth, with excellent forecasts for the coming year.

The position of Financial Controller is key to the ongoing success of the business in Europe and will, for the right individual, challenge and utilise their full range of ability. Reporting to the European Financial Director, responsibilities will include:

- Active support of the European Financial Director in the provision of first class day-to-day financial reporting.
- Proactive management of the reporting process with an emphasis on timely monthly management accounts and forecast information. This includes UK and US reporting requirements.
- Development and support of finance staff.

- A variety of ad-hoc projects including systems enhancement and financial input to a variety of issues relating to the rapidly growing European market.
- Building and maintaining close working relationships across the business.

Suitable candidates will be qualified accountants with a minimum of two years post qualification experience that demonstrates hands-on responsibility, preferably in a sales and marketing driven environment within the software or retail industries. Above all, candidates must show enthusiasm and commitment and be able to offer both a practical approach to completing the task and the intellectual ability to contribute to the strategic decisions.

In return, our client offers the chance to make a real impact in an exciting and dynamic business. Interested applicants should write, quoting reference 333780 and enclosing a full CV, salary details and daytime telephone number to Anne Wilkie ACA, Michael Page Finance, 40-42 High Street, Maidenhead, Berkshire SL6 1QE.



Michael Page Finance

Specialists in Financial Recruitment

London Bristol Birmingham Edinburgh Glasgow Leatherhead Leeds
Maidenhead Manchester Nottingham Reading St Albans & Worldwide

Hays Accountancy Personnel

An exceptional
opportunity within a
high quality
service/retail business

**Finance
Director
Designate**

Newcastle-upon-Tyne

c£50,000 Package

The Company

Operating in a niche service/retailing marketplace from prestigious locations, this well-managed and profitable business is entering an exciting phase in its development. The company is recognised for its innovative product range and uncompromising standards of customer service. With a current turnover of £9m, the company has plans to increase this substantially through the opening of new sites. Recent venture capital investment has created a new role for a high calibre finance professional. This is an important appointment and will be critical to the success of the company's medium-term strategy of stock market flotation.

The Role

As a key member of a small, dedicated management team, you will be actively involved in shaping the future of the business, ensuring growth is controlled and progress is gauged against stated financial targets. Key responsibilities will include:

- Development of a leading edge finance function
- Day-to-day management of company finances and critical review of performance measures
- Financial analysis to support key business decisions
- Analysis of product profitability and appraisal of marketing initiatives
- Use your objectivity and integrity to constructively challenge existing business practices and instigate change where necessary
- Company secretarial and taxation matters

The Appointee

You will be a qualified accountant (preferably ACA), with a track record of success in a fast-moving and forward-thinking commercial environment. More importantly, you will be driven by your own personal high standards and have the energy and appetite to contribute at all levels within the company.



To apply please forward your CV to our Recruitment Advisor Michael Rowland at Hays Accountancy Personnel, Kelburn House, 7/19 Mosley Street, Newcastle-upon-Tyne NE1 1YE. Tel: 0191 232 4111. Fax: 0191 222 0785.

Head of Claims Operations

City

Competitive Salary + Benefits

Our client, a high profile financial services organisation is looking for an experienced professional to head up its core activity of claims handling.

Reporting directly to the Chief Executive, you will be primarily responsible for overseeing the day-to-day running of the claims operations including planning, resourcing and budgeting to meet agreed targets. Providing strong and imaginative leadership to multi-disciplined teams, you will be expected to achieve high levels of efficiency whilst maintaining a commitment to quality. You will develop strong working relationships with other internal functions as well as external organisations. This is a key position requiring the ability to identify, assimilate and develop practical solutions

to complex legal issues arising from the claims.

Applicants are likely to be numerate and professionally qualified with extensive claims management experience in the financial services sector. Strong communication skills, a confident and assertive manner and a 'hands-on' approach are imperative. Previous experience of leading and motivating a large team of staff handling often technically complex claims in the financial services sector is desirable.

Interested applicants should write to Sue Lintern at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH, quoting reference 334495 and including current salary details or alternatively telephone her on 0171 269 2308 for an initial discussion.



Michael Page City

International Recruitment Consultants
London Paris Frankfurt Hong Kong Singapore Sydney

Management Accountants

Leading Edge Technology Provider

c.£35,000 + Car + Benefits

Our client has enjoyed impressive growth in a highly competitive market and is implementing a further substantial investment programme. Within this entrepreneurial environment, the Finance function plays an integral part in maximising the efficient use of resources and a number of opportunities exist for Management Accountants to join the group in exciting roles which will be both varied and widespread.

Reporting to the Finance Director, your responsibilities will include:

- Closing down the Management Accounts each month and communicating management information to Senior Management including analysis of variances and trends.
- Analysing cost of sales, revenue, overhead & capital expenditure, stock control and calculating and controlling sales staff commissions.
- Assessing the viability of business projects and reporting the results accordingly.

South East or South West

- Leading a small team of people and deputising for the Finance Director when relevant.

Your experience must include producing and analysing accounts where you have shown your ability to communicate and react in a meaningful and effective manner. Successful candidates will be graduate, qualified accountants with a minimum 4 years' PQE, excellent technical skills combined with the commitment to adopt a 'rolled sleeves' approach while keeping abreast of the overall division.

These are superb opportunities to make an impact on a fast growing and already successful company, where the rewards are substantial.

To apply, please forward your CV to our advising consultants at Harvey Nash PLC, 13 Bruton Street, London W1X 7AH. (Tel: 0171 333 0033, Fax: 0171 333 0032). Please include a daytime telephone number and current salary details and quote reference number HNF175.

HARVEY NASH PLC



Finance Director

High Growth Telecommunications Sector

Package: c. £65,000

Southern Home Counties

An exciting and challenging opportunity has been created to make an early contribution to a rapidly changing environment. Our client, part of a large telecoms group, provides a telecommunications infrastructure to businesses and residences and is experiencing unprecedented growth. The company has shown a huge commitment to its customers by providing state-of-the-art products and services through the application of leading-edge technology. An experienced and commercially minded Finance Director is sought to join the management team to play a leading part in ensuring that the company meets its ambitious expansion plans.

- Key areas of responsibility will include:
- Providing accurate and timely management accounts and supporting information to the Division and Group.
- Providing business plans and forecasts to support and assist business strategy.
- Maintaining strong financial controls over the geographic region.
- Assisting with financial and commercial input to increase the profitable development of the company.
- Providing close support to the Managing Director in developing all aspects of the business.

You will be a chartered accountant with 10 years' PQE and a successful record in a senior finance position, preferably gained within a customer focused high tech organisation. As a team player your communication skills will be put to the most challenging tests and your high level commercial acumen will ensure that you play an integral part in the future growth of this business.

The successful candidate will need to fully understand the issues facing a fast growing business in the coming years and be able to pre-empt situations and be pro-active in assisting others in their development in this exciting period of growth. As well as displaying analytical, judgement and communication skills, initiative and credibility with others will be prerequisites for this demanding role.

To apply, please forward your CV to our advising consultants at Harvey Nash PLC, 13 Bruton Street, London W1X 7AH. (Tel: 0171 333 0033, Fax: 0171 333 0032). Please include a daytime telephone number and current salary details and quote reference number HNF174. You may also apply via http://hnpa.com/Harvey_Nash

HARVEY NASH PLC



FINANCIAL CONTROLLER

Retail Service Sector

Kent

£40-£45,000,
plus car and
benefits

Our client, a profitable and expanding UK Company with a turnover in excess of £30 million, is a market leader in its industry and is now entering an exciting time of rapid growth and development. Reporting to the Finance Director and working closely with other Board members you will contribute to the commercial development of the business which has significant potential.

Specifically you will:

- Lead, motivate and develop an effective and interactive finance team
- Develop and maintain a strong financial control and reporting environment
- Play an integral part in driving the business forward
- Provide commercial and financial guidance to operational management on key business decisions

The role demands sound financial skills as well as the ability to build effective cross functional relationships. You must be able to drive through necessary developments with your strong influencing skills and personal credibility.

A qualified Accountant with previous experience of managing change within an expanding business, you will be an ambitious proactive individual with a resilient but empathic personality with the presence and maturity to thrive in a growing organisation.

Interested candidates should write with full CV, quoting current rewards package to James Conchie or Angela Mascias, Hoggett Bowers, 7-9 Bream's Buildings, Chancery Lane, London EC4A 1DY, Tel: 0171 430 9000, Fax: 0171 405 5995, quoting ref: HJC/10090/FT.

Hoggett Bowers

EXECUTIVE SEARCH & SELECTION



Fast expanding industrial group (£1 billion, growth 25% per year) is looking for its subsidiary in the UK (£100 million) for a

Controller

Near Birmingham

400/450,000 FF + Car

Working closely with the UK Managing Director and reporting functionally to the Divisional Controller in France, you will carry out the industrial controlling aspects for the UK subsidiary.

- Co-ordinating the preparation of industrial accounting and reporting to France.
- Recruitment of the team of industrial controllers and implementation of methods to measure our operational performances.

Between 35 and 40 years and a French national, you will be degree qualified with a minimum of seven years experience gained in an audit firm, complemented by an operational position as controller in an industrial environment.

Interested applicants should forward a comprehensive CV quoting ref AL16103, to Adam Leon, Michael Page Finance, The Citadel, 190 Corporation Street, Birmingham B4 6QD.



Michael Page Finance

Specialists in Financial Recruitment
London Bristol Birmingham Edinburgh Glasgow Leeds Liverpool
Manchester Newcastle Nottingham Oxford Southampton
St Albans & Worldwide

Emerging Markets

Outstanding opportunity for a Financial Controller in Moscow

Deutsche Morgan Grenfell, the investment banking arm of Deutsche Bank, operates in over 30 countries with over 8,000 staff. One of those countries is Russia, where it has established a strong presence which consists of a representative office and four subsidiaries - Morgan Grenfell Depository, Morgan Grenfell Finance, Morgan Grenfell Securities and AGZ Kapitalmarkt. Due to rapid expansion of these businesses, they are now seeking to recruit a Financial Controller.

Carrying overall responsibility for the management of the controlling function, you will be responsible for the monthly

conversion of Russian accounts to UK GAAP and IAS, conducting a review of the current development of systems, as well as providing recommendations on its future development. Furthermore, you will also manage projects which will help ensure that the controlling functions are capable of dealing with the growing demands of the Russian business, in addition to supervising a team of three staff members.

To be considered, you will be a fully qualified accountant, ideally aged between 25-35 years and preferably with a knowledge of Russian accounting and the Russian language.

This role requires a hands-on approach and therefore the successful individual will be highly self motivated and possess excellent interpersonal skills in order to successfully manage change and work to tight deadlines under pressure.

This is a unique opportunity for a dynamic individual to join a major Investment Bank which operates on the principle of meritocracy and can offer long term career prospects to the right candidate. The remuneration package will be highly competitive, commensurate with background and experience.

If you would like to be considered for this demanding role, please send a comprehensive CV in confidence, quoting reference 332072 to Natasha Krasnoff, consultant at Michael Page Eastern Europe, Page House, 39-41 Parker Street, London WC2E 8LH or fax it on +44 (0) 171 404 6370 or alternatively telephone +44 (0) 171 269 2382 for further information.

London
March
1997

Deutsche Morgan Grenfell



BANKWATCH

BANK CREDIT ANALYSTS

LONDON & CYPRUS

THOMSON BANKWATCH, the world's largest bank rating agency, is looking for experienced Bank Analysts to be based in London and Cyprus. Candidates must have extensive knowledge of banking and credit analysis, be first class communicators in both written and spoken English, and be computer literate.

The two positions will involve travel, regular contact with senior bank officers, preparation of high quality reports and the ability to meet tight deadlines.

London Office: The candidate will work with European banks. German language skills are desired.

Cyprus Office: The candidate will work with East European and Russian banks. Local language skills are desired.

Applicants should fax or post their curriculum vitae and an application letter including details of qualifications and work history, expected salary, and when you will be available, to the appropriate address below:

Lesley Singleton, Director of Operations
THOMSON BANKWATCH-BREX
PO Box 6951, Limassol 3311, Cyprus.
Tel: +357 5 748574 Fax: +357 5 748974
Carol MacEneaney, Vice President
THOMSON BANKWATCH-EUROPE
Aldgate House, 33 Aldgate High Street,
London EC3N 1DL, United Kingdom.
Tel: +44 171 247 7830 Fax: +44 171 247 8019

Nottingham Forest FC, the only British club to have won the European Cup twice in the history of the competition, are on the brink of the most exciting stage in their development as a leading business in the fast growing world of professional football.

The club is determined to ensure that success on the field is matched by the development of a highly motivated management team.

FINANCE DIRECTOR NOTTINGHAM FOREST PLC



Nottingham Forest Plc is looking for a Finance Director to take responsibility for all aspects of the club's accounting and reporting function. They will be expected to put in place new systems and structures aimed at improving

profitability and increasing efficiency. They will also be expected to play an active role in the management of the business in the broadest sense and an expansion of the role is highly likely in the medium term.

The successful candidate is likely to be a Chartered Accountant with a good track record in a commercial environment at board or similar level. They will see themselves as a financial professional but will also possess strong business and entrepreneurial skills and the desire to put them into practice in a fast moving enterprise. Experience in the sport and leisure industry is not essential but would be an advantage.

There will be a highly competitive remuneration package for the right candidate. If you have the experience and dynamism to succeed in this demanding role please write, with your CV, to:

Nigel Wray, c/o Burford Holdings plc,
20 Thayer Street, London W1M 6DD, Fax: 0171-224 1713

MANAGEMENT ROLE WITH GLOBAL LEADER SUPPLYING THE AUTOMOTIVE INDUSTRY

EUROPEAN GROUP MANAGEMENT ACCOUNTANT

to £45,000 + full range of benefits

MIDLANDS

Our client is the world leader in its field, manufacturing and supplying parts for the automotive industry. A division of a US multi-national, it also has significant European and African operations which are expanding in a highly competitive market. An outstanding opportunity now exists for a finance professional with strong cost accounting skills to make an immediate impact in the business and embark upon a challenging career with this global market leader.

The Position

- Reporting to the Executive Management in Europe and the US, take responsibility for the managerial and cost accounting functions in all European/African operations.
- Create an independent managerial/cost accounting support function for Europe and establish effective cost accounting controls, procedures and guidelines across the region.
- Co-ordinate and implement a new integrated computer software system to support the accounts function.
- Introduce inventory valuation methods and procedures for internal and statutory reporting and establish a customer pricing support system to enhance management information.
- Act as a key member of the management team, providing support to the team in matters relating to cost accounting.

The Requirements

- Extensive managerial/cost accounting experience is essential, gained preferably within a European multi-site manufacturing environment.
- A broad accounting background covering all aspects of finance, particularly relating to financial control as well as audit and tax would be beneficial.
- Experienced in using state-of-the-art cost accounting methods and systems.
- ACMA or ACA qualified with no less than 5 years' industrial experience and familiarity with US reporting requirements.
- A commercially aware, hands-on and progressive individual who wants to develop a career with a multi-national organisation.

Please send your CV with current salary details to:
David Gibbs, K/F Selection, Concord House, Trinity Park,
Bickenhill Lane, Solihull, West Midlands B37 7YB.
quoting Ref: 90294/A. Alternatively, send by fax on
0121-702 2224, or by e-mail to cv@kfsselection.com
Internet Home Page: <http://www.kfsselection.com>

K/F SELECTION

A DIVISION OF KORN/FERRY INTERNATIONAL

Opportunities with a world leader - Germany

Are you ready to join a company that regularly redefines the word progressive?

Hyperion Software is one of the fastest growing and most progressive global software companies. Founded in 1981, today operating in 25 countries with a world-wide revenue exceeding \$172 million, we market and support the world's best selling, Windows-based enterprise financial management reporting systems. More than 3000 complex blue-chip organisations across the globe rely on our expertise for intelligent, fully integrated solutions.

Our German Operation, with its head office in Frankfurt and another base in Munich, represents one of the fastest growing markets in Europe. We now intend to support this growth by opening two further locations in Germany in the coming year and we are therefore looking for people with the drive and stamina to set the pace for a major expansion in Germany.

Senior Sales Management

Your ultimate goal will be to maintain and extend our business in Germany.

You will achieve this by managing, inspiring and developing our multifunctional team of professionals and by meeting the challenge of continuously evolving goals.

Results orientation, enthusiasm and initiative are key attributes for this position.

Educated to degree standard with the support of a finance and accountancy focused business qualification, you must be able to demonstrate a track record of success at senior management level with considerable previous active involvement in a financial management or software environment.

Sales Executives

The Sales Executives will maximise the amount of Software Sales Revenue derived from an allocated territory.

You excel at meeting and beating your targets and have the experience and tenacity to quickly establish yourself as a respected professional in the field.

The ideal candidate for this position will have a proven sales record within the software industry, including a minimum of five years direct selling experience at senior executive level. Knowledge of the financial/banking sector would be a big advantage.

Consultants - Statutory Applications

Providing high-level consultancy services in the field of statutory consolidation, you will apply your accountancy and technical expertise to analyse client needs. Working closely with the sales team, to advise on all aspects of this and related applications. You'll have the scope to utilise your extensive technical knowledge of the PC/Network environments and your commercially astute understanding of competitive products in the marketplace.

Educated to a degree level in accountancy/finance discipline, you will have the experience of preparing both statutory accounts and management reporting, and the credibility to inspire confidence at any level.

Business/Technical Consultants

You will be responsible for implementing the full range of Hyperion products by developing solutions to meet the specific needs of our clients. To deliver effective training courses and prototype solutions is also part of the job.

The ideal candidate for this position will have a degree with a formal financial qualification. Special knowledge in areas such as networks/operating systems, intranet solutions, databases, data warehousing and experience from project management is highly desirable.

Self motivation, strong interpersonal skills and an analytical approach to problem-solving are the personal attributes we will be looking for.

For all positions mother tongue German and excellent English are essential. Senior Sales Managers positions are based in Frankfurt. Other positions could be based at any of our German locations.

To apply, please send your CV, stating position of interest as well as details of where we can contact you, by mail, fax or e-mail to: Sandmark Executive Search, c/o Charles Degenroth 35, 81040 Brussels Fax + 32 2 733 18 21
E-mail: Compuserve100705.326@compuserve.com

Hyperion
SOFTWARE

Only the best need apply!

The London Borough of Lambeth is one of the largest local authorities in England, a £multi-million, multi-functional organisation which uniquely has a national profile. The changing management of Lambeth from the top down continues to push for innovation and excellence.

If you are frustrated by corporate inertia, have good ideas and want to make a real difference to people's lives, then read on...

LAMBETH SERVICES

Assistant Director Housing Finance

c £55,000 + Benefits

The Housing Department is a £250 million turnover business with an asset base in excess of £600 million and responsible for over 42,000 units.

You will be at the front end of change and have a free rein to start afresh in a new financial function.

The environment of deteriorating housing stock, decreasing capital spend and increasing legislation will not be easy, but highly challenging and rewarding.

As Assistant Director to the Executive Director of Housing, your role will be broad and demanding. Ideally you will have a sound appreciation of the housing markets and you must be able to demonstrate a successful track record to date. Whilst an appreciation of issues surrounding housing in local authorities would be desirable, it is not essential.

Interested candidates should contact Stephen Hockey MBA or David Morgan at Michael Page Public Sector, Page House, 39-41 Parker Street, London WC2B 5LH, or telephone on 0171 831 2000, fax 0171 831 6293. Closing date for applications 31st March 1997.

Lambeth aims for quality services and equal opportunities for all.

Assistant Director Business Support

c £55,000 + Benefits

Responsible for reporting on 30 new business units in Lambeth, your role will be to instill good practice and sound financial disciplines to new business unit managers.

This is a highly customer focused role at the centre of fundamental change within Lambeth. Working with the central finance function and Lambeth's internal Management Consultants, this exciting post will require diplomacy and a personality that gets the best from a variety of different people. You will already be in a similar position in a large customer focused organisation or in a consultancy seeking a fresh challenge. This is a key frontline role at the centre of change within Lambeth and only the best need apply...

MP

Michael Page Public Sector

Specialists in Financial Recruitment

London Bristol Birmingham Edinburgh Glasgow Leatherhead Leeds Maidenhead Manchester Nottingham Reading St Albans & Worldwide

CHIEF FINANCE OFFICER

Based Poland

£ Highly Competitive Package

ED & F MAN GROUP plc

ED & F Man Group plc is an international group with two distinct businesses: the supply of agricultural products and the provision of financial services. The Group has over 200 years' history, employs some 3,900 people in 80 countries, and was floated on the London Stock Exchange in 1994. ED & F Man is one of the world's principal suppliers of cocoa to international branded food manufacturers, operating throughout the products supply chain from origin to customers.

They require a CFO for a recently acquired Polish business which is strategically important to the group, providing a cocoa processing base in mainland Europe to complement other plants in the UK and North and South America. They have significant expansion plans for this business. As a key member of the senior management team you will be responsible for the accounting and finance functions in this highly commercial role.

If you are interested in this opportunity, please send your curriculum vitae to: Iain McAdam, Douglas Llambras Associates PLC, 10 Bedford Street, London WC2E 8HE, United Kingdom. Tel: +44 171 420 8000. Fax: +44 171 379 4820. E-mail: iain@dlambras.co.uk All applications will be treated confidentially. Any CVs sent directly to ED & F Man will be forwarded to our retained consultants at the address above.

Essential requirements:

- Degree educated with professional accounting qualification
- Experience gained at a senior level in a multinational industrial or trading operation
- Proven track record of line management abilities
- Experience of working in developing markets
- Good communication and interpersonal skills
- Extensive experience of spreadsheet and PC based accounting systems
- Linguistic abilities and a willingness to learn Polish

This is a high profile position within the ED & F Man Group. It is expected that the successful candidate will be based in Poland for a 2 to 3 year period, subsequently there are outstanding opportunities for career progression within the Group in the UK and internationally.

Coopers & Lybrand

Executive Resourcing

Financial Director Designate

This leading fashion company designs, imports and wholesales three leading menswear brands with two new brands being introduced later in the year. Established over 12 years ago, recent growth has been phenomenal with turnover increasing from \$15m to \$40m in the last three years alone. They are a privately owned company and currently employ over 80 staff.

A highly capable finance professional is now required to take on active role in managing the company's growth and future development. In this new position, reporting to the Managing Director, you will manage a finance function of 10. Responsibilities include financial and statutory reporting, budgetary planning and control, and treasury management. You will also be responsible for company secretarial duties together with taxation and contractual

negotiations whilst providing strategic financial advice to the board.

You will be a qualified accountant who can demonstrate strong leadership skills and be able to manage growth in a young company. A proactive approach to problem solving combined with strong interpersonal and communication skills are essential. Ideally you will have experience of the fashion industry, but you will undoubtedly have excellent commercial skills. Your drive, initiative and ability will enable you to be promoted to Finance Director in the short term.

Please send full personal and career details, including current remuneration and daytime telephone number, in confidence to Neil Holmes, Coopers & Lybrand Executive Resourcing Ltd, 1 Embankment Place, London WC2N 6NN, quoting reference NHT244 on both envelope and letter.

DLA

DOUGLAS LLAMBRAS ASSOCIATES
RECRUITMENT CONSULTANTS

DLA

APPOINTMENTS

In addition to this section please contact Toby Fadden-Groves on +44 0171 873 3456

APPOINTMENTS WANTED

POSITION WANTED

Extensive background (15+ yrs) in real estate finance, appraisals, underwriting and analysis. Excellent communication, commercial and organizational skills. Native English speaker also speaks Hungarian, Spanish, French and Hebrew. NYC-based but willing to travel and relocate for right opportunity. Excellent references. Please fax replies to Mr. Sidansky. (212) 319-0704 (USA)

GERMAN QUALIFIED

ACCOUNTANT

International Experience

Fluent in English, good French

seeks short/long term contract

Europe or elsewhere

Tel: +44 (0) 171 973 0688

Mobile: +44 (0) 370687410

FINANCIAL DIRECTOR/CONTROLLER

The purpose of this advertisement is to get you to contact me but at the moment I have no idea what your name is. I do know the sort of person you are and the aspirations you have in life.

I also know the level of skills you have got and that you want to get better at your work. I know you want more than just a job, I know you want a career and I know you want a future.

I know you would like an opportunity to use your training and wide range of skills and experience. I know when you call me you will communicate with me effectively. When we are talking we will be able to discuss important things like your salary and career opportunities.

I know you may have had a lot of experience or just completed technical training but above all I know you have a driving ambition to be the best.

By the way, this is a permanent position with a talented team of people.

Please contact me. Ian Rosenthal
Chairman of Weatherglaze Plc Tel: 0181 805 2888

Finance Director Engineering Group

Central London

£55-60k + Bonus & car

We are partnering a diversified, expanding plc (turnover £60m) in this key appointment which will strengthen its financial and operational management. The company manufactures technology-based capital equipment primarily for automotive and electronics markets internationally. The challenge is to drive the business forward by proactive, energetic involvement at the sharp end.

Accountability is to the CBO for planning and controlling, the achievement of Group financial objectives, including UK and overseas banking facilities - there are subsidiary companies in the UK, USA, France, Germany and the Far East. An unusual feature of the role is active participation in operational general management.

A qualified accountant is required with experience as Finance Controller or Director in a multi-national manufacturing and engineering company. Shirtsleeves general management exposure will clearly add value to your application, as will fluency in French and German. You will need to be resident - or be prepared rapidly to reside - in or very close to Central London.

You will immediately be appointed to subsidiary Boards, with your Main Board position assured after six months, subject to performance. Significant travel and autonomy will be an additional feature of the role, which carries the normal executive benefits with the bonus indicator up to 50% of salary.

Interested? Send your CV, in confidence with a convincing covering letter, to the Group's advising consultant, Barry Drinkwater, Human Resource Partnership, Atlantic House, 351 Oxford Street, London W1R 1FA. Tel: 0171 409 0699 Fax: 0171 491 7686. Closing date: Monday 17 March 1997.

HRP
SEARCH & SELECTION

VENTURE CAPITAL

Entrepreneurial Young Accountant

Cuba

Excellent Package

Our client, one of the pioneers of investment in emerging markets, manages substantial funds in a range of developing countries worldwide. Cuba's recovering economy offers unique investment opportunities and, with an office in Havana, the company was the trail-blazer in the region, where it now manages a successful investment fund.

This success has created a need for an additional highly commercial young accountant to join its Cuban team. Working closely with the Chief Investment Officer, the role focuses on research and evaluation of investment opportunities, preparing financial analyses and recommendations for presentation to the Investment Committee. As part of a small team, there will also be close participation in the structuring, negotiating and closing of deals and subsequent monitoring of the finances and performance of investee companies. Other areas of involvement will include internal financial control, producing accounts, compliance with relevant regulatory authorities and training of staff.

The ideal candidate will be a young, entrepreneurial ACA/ACCA with up to approximately 3 years' experience in emerging

markets is not necessary; however, applicants should have the energy, resourcefulness and initiative to help move deals forward and the patience and communication skills to overcome the delays and problems intrinsic to developing economies. Candidates must have a strong finance background and good PC-based computer skills together with the ability to evaluate unlisted companies and prepare financial forecasts and business plans. Language skills are not vital but some knowledge of, or a willingness to learn Spanish is essential.

This is an outstanding opportunity to become involved in one of the world's most exciting growth areas and to develop a career in emerging markets investment. The generous remuneration package includes housing allowance and related benefits.

Interested applicants should post or fax their CV giving details of current salary and quoting ref: 206 to the address below. For more information telephone (+44) 171 242 9191 (weekdays) or (+44) 1763 853025 (evenings and weekends).

ALDERWICK CONSULTING

SEARCH & SELECTION

95 FETTER LANE, LONDON EC4A 1EZ. TELEPHONE: (+44) 171 242 9191 FAX: (+44) 171 242 3540

Group Internal Audit Manager

c£60,000+Car+Bens

ACA with banking experience required to manage & develop the London Group Audit team of this Merchant Bank. Internal Business & Computer Audit experience & SFA reporting required together with spoken French.

Deputy Compliance Officer

c£60,000+ Bens

A unique opening has arisen within this highly diversified-bonus driven City Investment Bank. You will need superb academics combined with proven derivatives/equity/debt experience together with good analytical skills. Excellent opportunities for career enhancement.

Internal Auditors c£55,000 + Bens

Global Investment Bank requires recently qualified ACA's to work within a high profile Audit Team. You must possess excellent communication & report-writing skills, with exposure to financial products including Capital Markets, Bonds, Derivatives, & Fixed Income

Actuary c£50,000 + Bens

Required by dynamic Financial Software organisation. You will have 2+ years Actuarial post qualification experience in Pensions or Benefits with proven technical ability. Excellent career path.

Compliance Officer c£40,000 + Bens

Global Investment Bankers seek bright, articulate individual with solid SFA & financial regulations experience to work in a high profile Compliance Team. You must have a minimum of 2 years experience within the securities sector.

Student Actuary c£35,000 + Bens

Large well funded organisation seek a part qualified actuary to assist with increasing work load. Autonomous position with excellent prospects. Pensions knowledge essential.

CAREER GROUP
EXECUTIVE BANKING TEAM

26 Market Place • London W1N 7AL

Tel: 0171 470 7040 • Fax: 0171 436 4573 • Email: info@career-group.co.uk

IT Appointments

SOLUTIONS

Packages from £40,000 - £65,000

Founded in 1981, mpct Solutions leads the way in banking systems by providing its wholesale banking back office support system Atlas to the world's major banks. This system has been installed by 42 financial institutions in over 180 locations. mpct Solutions also supports international divisions, regional offices and overseas branches, as well as Central Banks, payment processors and clearing houses. Among them are the head office treasury operations of some of the world's most outstanding banks.

mpct Solutions' Atlas Express approach offers a unique method of analysing a bank's business, measuring what matters, quantifying and then delivering positive impact. The Implementation Methodology used is a proven process for implementing change in a reusable and reliable manner, providing timely results with minimised risk. From the understanding of a client's mission and business strategy, it ensures that workflows, information sources and systems are optimised to achieve a bank's business goals.

mpct Solutions' OpenLink system is a powerful environment for trading in derivatives, fixed income, securities, commodities and equities. It provides a full complement of facilities for trading, risk management, sales, operations and accounting functions. OpenLink is designed to complement Atlas by accommodating the broadest range of instruments and trading conventions, providing a framework in which the simplest or most complex transactions can be created, monitored and executed.

Opportunities now exist to work on exciting new projects based in the UK, East Asia, continental and Eastern Europe.

Back Office Professionals

mpct Analysts advise and guide our clients' teams in the identification and definition of requirements to augment and enhance the transaction processing capabilities and financial product process flows vital to their success in this increasingly global marketplace.

Your experience to date will have been gained in a banking systems' integrator or financial institution, with specific experience in corporate treasury, lending and payments. The ability to liaise at all levels of the business must be matched by your skill in defining client business needs and in particular, participating in scoping and impact studies on client sites.

You will be involved in detailed reviews and development of product process flows together with assessing our solutions against client operations. Critical to these activities is the ability to plan, direct and supervise product consultancy and technical developments carried out by mpct project teams and client personnel. A broad understanding of the relationships of people and functions across a complex banking infrastructure is vital, as is the ability to communicate, advise and provide solutions to complex challenges that will effect an improvement to the operating efficiency of our customers.

Ref: PC/03/163/723/PAB/TT

Project Managers

The role of an mpct Project Manager carries with it the responsibility for ensuring the successful implementation of mpct Solutions. You will be a key component in leading, organising and delivering the human and technical resources essential to meet client project and business objectives.

You must demonstrate a complete understanding of transaction driven processing requirements operating within either the international wholesale, treasury or capital markets banking sectors. In-depth experience of corporate treasury, lending and payments related services and products is of particular interest, as is well developed client facing skills which will enable you to assist in the introduction of future scoping studies arising from project deliverables. Your previous project experience will embrace all aspects of the project life cycle with emphasis on quality management and delivery.

Our Project Managers enjoy a sound working relationship with clients, which is reflected in the attainment of measurable benefits to all facets of our customers operations. You will add value to and enhance our capabilities in this area, with career progression and rewards linked to your own ability and expertise. Essential skills will include: client liaison, manpower planning, validation of functional and technical requirements, project planning and team building. Training will be provided across the full range of mpct technologies.

Ref: PM/03/163/724/PAB/TT

For further information regarding mpct Solutions, please view our website at <http://www.citielite.co.uk/mpct>. For a detailed discussion regarding these positions please contact our advising consultants quoting the appropriate reference number. Parallel International, 1 Grosvenor Court, Bow Lane, London EC4A 3DF. Tel: +44 171 236 4288 or +44 171 248 0393. Fax: +44 171 236 4277. E-mail: info@citielite.co.uk Internet: <http://www.citielite.co.uk>

parallel
INTERNATIONAL
A MEMBER OF THE LINK GROUP

Senior IT Manager

International Bank

£60 to 70,000 + Car Allowance + Benefits

Our client is a city based branch of a leading commercial bank which provides a comprehensive range of financial services around the globe. The branch is currently experiencing a period of significant business growth as well as major automation initiatives.

The position includes complete responsibility for all IT operations and development. This will involve managing a team of 20 plus staff in the design and implementation of IT solutions for a range of new business opportunities.

In addition you will be expected to take an active role on the IT steering committee.

Applicants will need to be IT banking professionals who focus on quality of service and possess good project management skills. It is also important to have banking business experience, a comprehensive knowledge of treasury systems, wide area networks and PC based solutions.

You should be a personable and diplomatic individual with first class management and communication skills. It is essential to have sufficient authority to lead meetings at the highest level, combined with the clarity and decisiveness to effectively manage a dynamic team.

This role will offer an excellent opportunity for rapid career development.

Applicants should telephone or simply send their CV to:
Matthew Clark or Justine Brown,
Parkwell Management Consultants Ltd., 8 Wilfred Street, London SW1E 6PL.
Tel: 0171 630 8000. Fax: 0171 233 5205.
Email: 100752.3606@Compuserve.com

PARKWELL

PROJECT MANAGERS

£50k - £100k + BENS

We have been retained by a number of prestigious financial institutions to find top calibre Project Managers, capable of running high-profile projects with a minimum of supervision.

Candidates with a strong combination of project management, business and technical skills in the following areas are of particular interest:

- Fixed Income
- Equities
- Risk Management
- Derivatives
- Settlements
- Client Server design
- C/C++
- SYBASE
- System Integration
- Infrastructure

Please call Paul Wilkins or Sara Fearn to discuss these vacancies in more detail on 0171 287 2525 or fax your CV to them on 0171 287 9688.

Alternatively, please write to them at:

ARC International, Recruitment & Consultancy Services,
15-16 New Burlington Street, London W1X 1FF.
E-mail: arc@tjobs.co.uk Internet: <http://www.tjobs.co.uk>

ARC

Consulting opportunities in financial sector IT

KPMG is one of the world's leading consultants to the financial sector. Our international blue chip client base extends from retail and commercial banks, through trading and capital market institutions, to investment management firms.

Dramatic and continuing change in our clients' market-place has meant an ever-growing demand for our consultancy services. We now need additional, high-calibre, experienced Information Technology Consultants to help us grow our business further.

We are interested in candidates who have a minimum of five years' experience with major financial sector institutions, working with IT systems supporting one or more of:

- trading
- market or credit risk
- financial control
- middle and back-office operations

Within these functional areas, your experience might be in any of the following:

- programme/project management
- IT strategy
- data warehousing
- software package implementation
- business performance improvement

We offer excellent opportunities to broaden and develop your career through working in multi-disciplinary teams. Our consultants are UK-based, but opportunities for international travel arise frequently through our work for global clients.

Please apply in writing quoting reference FTK2 with full career and salary details to: David Jones or Carole Weedon, The DP Group, 6th Floor, 73 Upper Richmond Road, Putney, London SW15 2SZ.

Telephone: 0181 877 1121. Fax: 0181 877 1104.

KPMG
means business

FT IT
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appears each
Wednesday in the
UK edition, and each
Friday in the
international edition

For more information on how to reach the top IT professionals in business call:
Emma Lloyd on
+44 171 873 3779
Courtney Anderson
on +44 171 873 4095
Toby Finden-Crofts
on +44 171 873 3456

MARTINGALE
Information technology skills for
the financial services sector

Project Management - Year 2000 Consultancy

Broad experience in a range of mainframe environments preferable. Candidates with specialist experience and appropriate technical and project management together with implementation, conversion and integration experience sought. Applicants must demonstrate the interpersonal skills, flexibility and mobility appropriate to the needs of a Consultant's role in a company with a nationwide client base.

Risk Business/Systems Analyst - Investment Bank

For Global Market Risk Management IT, to assist in the development of strategic Market Risk Management systems. Primary focus on the Basic Accord on Market Risk. A strong knowledge of financial products is essential.

Project Manager - Asset Managers

Experience of inception through to implementation of a major IT client-server project of significant size. Five plus years IT experience with a broad business knowledge base, particularly in middle and back office transaction processing.

Project Manager - Financial Markets Consultancy

Strong background in Financial Markets i.e. Investment Banking, Capital Markets, Investment Management, Securities, with functional experience in RFR, IT Strategy/Planning and large-scale implementation.

Financial Systems Principal

Experienced Systems Accountant with recent exposure to new and emerging technologies. Extensive experience of implementing financial systems together with all stages of systems delivery. Good understanding of current major package software solutions. Good degree plus professional accounting qualification.

For further information contact Martingale Associates, 64 Chiffords Inn, London EC4A 1BX. Tel: 0171-242 0064. Fax: 0171-404 1862. Email: jdmoores@martingale.wln.uk.net